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FILE No. 181/4/4 *Part I*

**BASEMENT**

COMMONWEALTH OF AUSTRALIA  
*CENTRAL SECTION*

*opened 7. 3. 1957*  
*closed 15. 11. 1958*

*MIDDLE EAST Sub-SECTION*  
DEPARTMENT OF EXTERNAL AFFAIRS.

**SECRET.**

**CLOSED**

**and GUARD**

*RP*

<i>MIDDLE EAST</i>	SUBJECT.
<i>Arab Refugees</i>	

PREVIOUS FILE :	<i>Part II</i>	<b>CLOSED</b>
NEXT FILE :		

RELATED PAPERS.	
FILE No.	SUBJECT.
<b>CLOSED</b>	

4857/50.

By Authority: A. J. ARTHUR, Commonwealth Govt. Printer, Canberra.



**CLOSED**

15.11.1958

*See Part II*



TRANSIT SLIP

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Date.....

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Records Clerk.....Section.



Means Munro & today the propose addition  
of some such words as —

... in an attempt to persuade  
the boats to cooperate.



AUSTUNAT  
NEW YORK

CONFIDENTIAL.

Your NY.1355 Palestine Refugees.

We are disappointed at reactions of other countries to United States proposal. We do not feel that United States initiative should be abandoned yet. "Technical enquiry" into refugees' needs as apparently envisaged by United Kingdom delegation would mean that opportunity to apply some pressure towards a solution would be missed.

2. Funds for U.N.R.W.A. are provided mostly by countries not in the region. As United States said on 10th November, contributors have legitimate interest in solution of problem. As a regular contributor we would like to see problem of refugees studied as proposed by Acting Director or United States (preferably the latter).

3. ~~While we realize difficulties inherent in Arab attitude~~ we would appreciate your speaking to United States delegation along above lines and if their reaction is favourable attempting in concert with them to stiffen other key delegations. We realize that Arab intransigence may in the end prevent any progress along lines we desire. Nevertheless opportunity might not occur again for some years to attempt to persuade arabs to co-operate, or at least to demonstrate that our contributions may not continue indefinitely in face of continuing Arab obstruction.

181/4/4

17/11/58

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.** **CONFIDENTIAL**

:HB

I.19986

Dated: 14th November, 1958.  
2025

Rec'd: 15th November, 1958.  
1943

FROM:

(via leased channel)

Australian Mission to the United Nations,  
NEW YORK.

NY.1355. CONFIDENTIAL.

Palestine Refugees.

Your 770.

*Imperial H*  
*Shoulder a party*  
*Mandated Arab states*  
*Confession to accept a large*  
*amount of money for*  
*refugees which both*

The United States proposal for a study committee has run into difficulties. The Arabs are adamantly opposed to the proposal because they feel it might produce recommendations leading to reconsideration of the basic political issues. There is no disposition among the Afro-Asians to support a proposal to which the Arabs are opposed. The United Kingdom delegation doubt whether the United States resolution which has not been tabled would obtain a two thirds majority. The United Kingdom have suggested to the United States that a study be undertaken by one man, (they have Labouisse in mind) and that it be confined to a technical enquiry into what United Nations action will be required on behalf of the refugees. They believe that this is the maximum the Arabs will accept. United States Delegation are awaiting Washington's reaction. Netherlands, Canadian and New Zealand Delegations incline to United Kingdom view.

Feeling now is that proposal for Committee will not get much support and that the best possible outcome is something along the lines of the United Kingdom suggestion.

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MIN. DEPT. E.A.  
MIN. DEPT. IMMIGRATION  
P.M.'s.

16th November, 1958.

SEC A/Ss LA UNO CR P.C&AM S&SEA SA E.A.F&ME  
E .F&ME INF

G

**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

MBP:BMW

I.19913

Sent: 13th November, 1958.

1905

Rec'd: 14th November, 1958.

1850

FROM:

(via leased channel)

Australian Mission to United Nations,  
NEW YORK.

NY1341. UNCLASSIFIED.

Special Political Committee Palestine Refugees.

Statements were made today by India, Ireland,  
Indonesia and Lebanon.

India said there could be no solution of refugees problem until political issues are resolved. United Nations will therefore have to continue to support Refugees. United Nations was responsible for partition of Palestine and it must carry the responsibility for this action. Israel and Arab States should work out arrangements for repatriation and compensation. Ireland said pending a political solution, some compensation through rehabilitation should be made to refugees. Funds for this should become part of United Nations budget. Indonesia said it would be unrealistic to expect progress until Israel changed its attitude on repatriation and compensation. In meantime, United Nations should continue its assistance. Lebanon strongly attacked Israel for its stand on repatriation and compensation. Criticised Carver as going beyond his duties in recommending that study be made on situation. There was no need for a study and U.N.R.W.A.'s mandate should be extended.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
P.M.'s

15th November, 1958.

SEC A/Se LA UNO CR PACMAN AM/SP SASIA  
SA EAFAME E AR&EL INF

G

181/4/4

*Printed*



DEPARTMENT OF EXTERNAL AFFAIRS.  
**OUTWARD CABLEGRAM** **CONFIDENTIAL**

MDP:SDP

O:14335

Sent:14th November, 1958.

1731.

TO:

(Via Leased Channel).

Australian Mission to the United Nations,  
NEW YORK.

770. CONFIDENTIAL.

Our 755. Palestine Refugees.

Depending on nature of study committee to be proposed by United States, we might wish to seek membership. Grateful for any indication you can obtain (without compromising New Zealand Delegation vide your NY.1283) of expected size and composition of committee, level of representation, plan of work and centre of operations. Also your own assessment (including direct reaction of Arab delegations if this can be got) of our chances of securing appointment if we came forward.

MIN. & DEPT. E.A. (181/4/4)  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M's.

17th November, 1958.

SEC	A/Ss	LA	UN@	ER	CR	PAC&AM	AM&SP	S&SEA
SA	E.AF&ME	E	AF&ME	INF				



DEPARTMENT OF EXTERNAL AFFAIRS.  
**OUTWARD CABLEGRAM** **CONFIDENTIAL**

MDP:SDP

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Sent: 14th November, 1958.

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MIN. & DEPT. E.A. (181/4/4)  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M's.

17th November, 1958.

SEC A/Ss LA UN@ ER CR PAC&AM AM&SP S&SEA  
SA E.AF&ME E AF&ME INF

15

Denton



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The New York Times*

File No. *181/4/4 ME.*

Published at *New York*

Date *14. 11. 58.*

**The Mideastern Refugees**

More than nine hundred thousand Arab refugees are still homeless ten years after the end of the war which made Israel an independent state. Two-thirds or fewer of these may have come out of Israel at the end of the fighting. Nearly half are under 16 years of age.

During most of the past decade these refugees have been supported by the United Nations Relief and Works Agency, whose mandate will expire on June 30, 1960. The agency has never had enough money. This year Acting Director Leslie J. Carver tells the old story of much hard work done with little money and under great difficulties. The so-called "host Governments" have sometimes made it hard to provide for the 225,000 in the Gaza Strip, the half million or so in Jordan, the smaller contingents in Lebanon and Syria. The cost to the U. N. nations has been about 10 cents per capita per diem. Of this the United States has paid about 70 per cent.

Now the United States has served notice, in a U. N. committee, that we don't favor the continuation of the U. N. R. W. A. program after 1960. "Some better system," said our spokesman, George M. Harrison, "must be found." What is the better system? Mr. Harrison did not seem to be authorized to say.

Some facts, however, are clear. First, the tiny state of Israel has no room for 900,000 Arab refugees, though it could conceivably find the money to help rehabilitate them on other land. Second, the Arab states do the refugee Arabs no good if they perpetuate the refugee system for political reasons. Third, any general plan of reconstruction and development for the Middle East must include an agreement between Israel and the Arab nations as to how these unhappy people shall be given hope of a better life in the future.

In this work the United States can help—but not by being negative or bemoaning the 7 cents a day it has been spending on the support of each refugee.



Name of Paper *The Times*  
 Published at *London*

File No. *181/4/4 ME.*  
 Date. *14. 11. 58*

## THE GAZA SCENE

## WILDERNESS OF THE SPIRIT

HOPELESSNESS HANGS HEAVY OVER  
200,000 ARAB REFUGEES

From Our Special Correspondent

Other peoples' money has infused Gaza, ancient capital of the Philistines, with a superficial air of near-prosperity. New houses and shops, even a cinema or two, have sprouted beside the honey-tinged stone fragments of Crusader strongholds, and an entire new suburb straggles across the sand dunes by the shore.

The flip to the hopelessly lopsided economy of the Gaza Strip comes, of course, from local expenditure by the United Nations Relief and Works Agency (U.N.R.W.A.), which cares for the 230,000 refugees in the area—a somewhat inflated total, probably, as deaths are often not reported so that a family may not lose a free rations entitlement—and by the United Nations Emergency Force (U.N.E.F.) which watches over the armistice demarcation line and the Sinai international frontier.

## EGYPTIAN CONTROL

The strip is officially controlled by an Egyptian military administration with headquarters in the fortress-like Tigert building, a remnant, as are the municipal gardens, of British mandate days. A few Egyptian Army vehicles, their occupants wearing dark glasses under Afrika Korps style caps, swerve through the traffic, much of which appears to consist of blue U.N.R.W.A. lorries and buses or U.N.E.F. vehicles.

The territory costs U.N.R.W.A. alone at least £2m. a year. Annual exports are worth about £2,500,000—citrus fruits,

them, if imagination seems to have tinged the claims as the years have passed?

The majority of able-bodied males have no prospect of employment other than occasional work as day labourers with U.N.R.W.A. Inertia has eaten deep into many souls in this desert of the human spirit, and frustration, hopelessness, resentment hang heavy over the long rows of cement-block or mud huts in the refugee camps. At Jabalia, "temporary residence" of 26,000, barefoot but healthy-looking children (the birthrate in the strip is 5 per cent) and hobbled chickens scurry around the visitor, making the most of the diversion.

## EDUCATION THRIVES

Their elders, however, are unmoved. "Journalists from all the world have come here many times, asked us many questions, and taken many photographs," said a former smallholder from Beersheba. "But what is the result?"

No matter how bleak the outlook, fundamental education courses for adults are well attended, and many an old man has learnt at last to read the Koran for himself. Among the young—106,000 of the refugees are aged 15 or under—education is not only regarded as a fundamental need but acclaimed as an open sesame, the only way to a better life in a larger world. Boys read school books as they stroll along the lanes through the orange groves and work out geometry problems with chalk on the roadway. The demand for secondary and university education far exceeds the number of places available. More than 700 students attend teaching and commercial courses operated by the Egyptian Government, and a vocational training centre, financed by U.N.R.W.A., is turning out craftsmen and mechanics—the men most needed in the Arab lands to-day.

## DOORS CLOSING

But the doors seem to be closing, even for the young. Formerly more than 300 young refugees would go each year as teachers, nurses, and skilled artisans, to Kuwait, Qatar, Bahrain, Saudi Arabia, and Iraq.

Now not only is the number of vacancies less but there is also some reluctance to employ young Palestinians who are regarded as being too highly charged with Cairo doctrines. Thus, out of 2,000 who completed their education this year, only 150 have been able to find jobs outside the strip. Remittances from "outside" to relatives average more than £45,000 a month.

The urge to get out is instinctive. At night the lights of the Israel settlements twinkle from the hills near by, and the strip seems so small as to engender a mild claustrophobia. As Jordan is only 60 miles away across Israel, it is not surprising that a risky short cut is sometimes preferred to a costly 800-mile detour by train and aircraft or ship—a trip which, in any case, is an impossibility for a penniless refugee.

Unassuming though the Gaza shops may be, and limited their customers' purchasing power, there are consumer goods available here which few Cairo shoppers are able to find at present. These come from Beirut under barter arrangements, and a low level of Customs duties helps to keep down prices.

## STRUGGLE TO EARN

Gaza even has a Legislative Council. The new building in which it meets is especially conspicuous at night, being the only flood-lit structure in a town of ineffectual street lighting. The garden in front of it has a white statue of a *felaween* pointing towards Israel, symbolizing Arab aspirations for a "return."

The night in Gaza is clamorous with the incessant barking of watch dogs in the orange groves. By dawn there is already movement in the camps and through the town, for the struggle to earn a little money is tough indeed.

"Baldness is come upon Gaza; Ashkelon is cut off with the remnant of their valley..." The Old Testament's fiery prophets might well be silent in commiseration if they could see Philistia to-day.



water-melons, figs, and almonds—a figure not much in excess of the annual trade deficit. More than three-quarters of the 85,000 original inhabitants are now registered as "wholly destitute," and many of them are being taken into the eight refugee camps.

If, over the last decade, some of the refugees in Jordan, Syria, and Lebanon, assisted, perhaps, by U.N.R.W.A. individual grants, have been able to rehabilitate themselves, there is no such prospect here. Sand dunes cover almost half the strip (27 miles long, four to eight miles wide), and even if every conceivable development project were carried out the territory could support no more than a fourth of its present population.

## DREAMS HANDED DOWN

So this is, essentially, the "land of the lagien" (refugees), presenting the problem of the dispossessed in its most acute form. Efficient and sympathetic, and aided by religious and benevolent organizations of a dozen countries, U.N.R.W.A. provides food and accommodation, and distributes an assortment of cast-off clothing from North America and Europe. The health services are better by far than those of any Arab State.

Life for the refugees is sustained, too, by dreams of the homes they once knew. Fed on talk of the "inevitable final victory of 60 million Arabs over two million Israelis," these dreams are handed on from parents to children. One listens to the stories of how much land this old grey-haired prospector, or the number of sheep once owned by — And who can blame



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

181/4/4

I. 19831.

Dated: 12th November, 1958  
1850.  
Rec'd: 13th November, 1958.  
1912.

:MP

(via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK.

NY1318. UNCLASSIFIED

Special Political Committee-Palestine Refugees.

Debate continued with statements by Iran and Belgium.  
Iran said it would support any constructive means for settle-  
ment of the problem. Criticised Israel's "negative" attitude  
to the solution. Belgium stressed humanitarian aspects.  
Paid tribute to United States support of U.N.R.W.A. and  
supported proposal for study of problem.

MIN.&DEPT. E.A.  
MIN.&DEPT. IMMIGRATION  
P.M.'s

14th November, 1958.

SEC A/Ss LA UNO CR PAC&AM SASIA SA  
E. AF&ME E AF&M INF

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181/4/4

*Reuter*



CONFIDENTIAL

181/4/4

13th November, 1958.

PLANNING GROUP ON PALESTINE REFUGEE PROBLEM

THE SECRETARY:

The mandate of UNRWA (the United Nations Relief and Works Agency for Palestine Refugees in the Near East) expires on 30th June, 1960. The Acting Director has proposed that a study be made of the desirability of the renewal of UNRWA or the establishment of alternative arrangements, and a report with recommendations be submitted to the 14th Session of the General Assembly.

2. We, like the United States, support this proposal. However, whereas the Acting Director of UNRWA prefers that the study and report should be made by a single individual, we and the United States prefer the establishment of a small committee of representatives of Governments, or perhaps of persons appointed by Governments and acting in their personal capacities. We hope in this way to overcome the difficulty of selecting a person acceptable to both Israel and the Arab States.

3. The Arabs are reported to be suspicious of UNRWA's proposal, as they fear that the whole Palestine problem would be reopened for further United Nations discussion and action. According to the United States delegation, the Arabs will try very hard this year to press the view that UNRWA should be established on a permanent basis, with contributions to it becoming a part of the regular United Nations budget. We do not support a solution along the lines of reported Arab thinking.

4. The United States has drawn up a draft resolution (copy attached) which it is considering with the United Kingdom, the Netherlands and New Zealand as possible co-sponsors. The draft has been made available to us by New Zealand in strict confidence.

5. From the political aspect, there would seem to be some merit in our being represented on the Planning Group proposed in the United States draft resolution.

(a) The Middle East has become a major area in the Cold War. Recent events have demonstrated that Australia cannot remain detached from developments in this area. But apart from Tel Aviv, we at present have no representation there. Membership of the Planning Group would give us first-hand information and contacts (presumably at the expense of the United Nations) in relation to one of the fundamental problems of the Middle East.

(b) We might be able to make some contribution towards a solution. The Australian Government's views would be brought directly to bear upon the problem. If the Planning Group failed, no odium could be attached to Australia.

CONFIDENTIAL



CONFIDENTIAL

2.

- (e) Our only representative in the area being in Tel Aviv, we are almost completely dependent for information on United Kingdom and United States sources. This situation would be improved by our being represented on a Group which would travel widely and presumably discuss matters at a high level.

6. There is the possibility that our candidature might be unwelcome to the U.A.R. and other countries in the area. Nevertheless we have twice recently supported U.A.R. candidates on their merits (for the Executive Board of UNESCO and the Administrative Tribunal) and could hope that the U.A.R. will reciprocate - though the importance of the post we might seek is much greater. Israel might perhaps welcome an Australian appointment.

7. To enable further consideration to be given to the possibility of Australia seeking an appointment on the Planning Group, we need to know more about the size of the Group, its possible composition, level of representation, its likely plan of work and centre of operations. A suggested telegram of enquiry to the Mission in New York is attached for your consideration.

...

(J.C.G. KEVIN)  
Assistant Secretary

CONFIDENTIAL



CONFIDENTIAL

AUSTUNAT  
NEW YORK

CONFIDENTIAL.

Our 755 . Palestine Refugees.

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CONFIDENTIAL

181/4/4

15/11/58



EXTERNAL AFFAIRS.

File No. 181/4/4

Date 13th November, 1958.

SUBJECT

PLANNING GROUP ON PALESTINE REFUGEE PROBLEM

FOR THE SECRETARY:

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2. We, like the United States, support this proposal. However, whereas the Acting Director of UNRWA prefers that the study and report should be made by a single individual, we and the United States prefer the establishment of a small committee of representatives of Governments, or perhaps of persons appointed by Governments and acting in their personal capacities. We hope in this way to overcome the difficulty of selecting a person acceptable to both Israel and the Arab States.

3. The Arabs are reported to be suspicious of UNRWA's proposal, as they fear that the whole Palestine problem would be reopened for further United Nations discussion and action. According to the United States delegation, the Arabs will try very hard this year to press the view that UNRWA should be established on a permanent basis, with contributions to it becoming a part of the regular United Nations budget. We do not support a solution along the lines of reported Arab thinking.

4. The United States has drawn up a draft resolution (copy attached) which it is considering with the United Kingdom, the Netherlands and New Zealand as possible co-sponsors. The draft has been made available to us by New Zealand in strict confidence.

5. From the political aspect, there would seem to be some merit in our being represented on the Planning Group proposed in the United States draft resolution.

(a) The Middle East has become a major area in the Cold War. Recent events have demonstrated that Australia cannot remain detached from developments in this area. But apart from Tel Aviv, we at present have no representation there. Membership of the Planning Group would give us first-hand information and contacts (presumably at the expense of the United Nations) in relation to one of the fundamental problems of the Middle East.

(b) We might be able to make some contribution towards a solution. The Australian Government's views would be brought directly to bear upon the problem. If the Planning Group failed, no odium could be attached to Australia.

CONFIDENTIAL



CONFIDENTIAL

2.

(c) Our only representative in the area being in Tel Aviv, we are almost completely dependent for information on United Kingdom and United States sources. This situation would be improved by our being represented on a Group which would travel widely and presumably discuss matters at a high level.

6. There is the possibility that our candidature might be unwelcome to the U.A.R. and other countries in the area. Nevertheless we have twice recently supported U.A.R. candidates on their merits (for the Executive Board of UNESCO and the Administrative Tribunal) and could hope that the U.A.R. will reciprocate - though the importance of the post we might seek is much greater. Israel might perhaps welcome an Australian appointment.

7. To enable further consideration to be given to the possibility of Australia seeking an appointment on the Planning Group, we need to know more about the size of the Group, its possible composition, level of representation, its likely plan of work and centre of operations. A suggested telegram of enquiry to the Mission in New York is attached for your consideration.

(J.C.G. KEVIN)

Assistant Secretary

Secretary

While not opposed to the McManus borders (which our staff situation  
 would enable us to contribute to the Long and the other open  
 group. The only other reservation I can see is that the Egyptian  
 might oppose Australian membership. Nevertheless there is strong  
 need to know we are exploring the possible

hvk 14/10

Beale moved probably into mt. part of we  
are to get a voice again in M.E.  
affairs this is a more promising venue  
than most - I agree to soundings <sup>including</sup> ~~possibly~~  
from Beale (if available) rather than <sup>with</sup> ~~others~~  
~~into water~~, a ~~business~~ <sup>business</sup> assumption about ~~acc~~  
accountability to Beale. ~~Admirable~~  
secondarily hl. & despatch <sup>page</sup>

opinions about  
these matters  
since we will  
then hear only.

**CONFIDENTIAL**



# CONFIDENTIAL

SHA.

I.19512/3/4.

Dated: 7th November, 1958.

2022

FROM:

Recd.: 8th November, 1958.

1518

Australian Mission to United Nations,  
NEW YORK.

(via leased channel)

NY1283. CONFIDENTIAL.

## Palestine Refugees.

The New Zealand Delegation has given us in strict confidence copy of the American draft resolution. The draft will be discussed with The Netherlands, the United Kingdom and New Zealand as potential co-sponsors before being shown to the Arabs and Israelis.

The following is the text:-

Begins:

"The General Assembly,

Recalling its Resolution 194(III) of 11th December, 1948, 302 (IV) of 8th December, 1949, 393 (V) of 2nd December, 1950, 513 (VI) of 26th January, 1952, 614 (VII) of 6th November, 1952, 720 (VIII) of 27th November, 1953, 818 (IX) of 4th December, 1954, 916 (X) of 3rd December, 1955, 1018 (XI) of 28th February, 1957, and 1191 (XII) of 12th December, 1957,

Recalling that Resolution 818 (X) extended the mandate of the United Nations Relief and Works Agency for Palestine refugees in the Near East until 30th June, 1960,

Noting the Annual Report of the Acting Director of the Agency and in particular the observations set forth in paragraphs 3, 9, 10 thereof relating to the expiration of the Agency's mandate on 30th June, 1960 and the need for a decision concerning the future welfare of the Palestine refugees.

Noting that repatriation or compensation of the refugees, as provided for in paragraph 11 of Resolution 194 (III), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of Resolution 513 (VI) for the reintegration of refugees and that, therefore, the situation of the refugees continues to be a matter of serious concern,

1. Considers that a planning group should undertake an urgent and careful study of the Palestine refugee problem in the light of past United Nations experience and the observations made in the Acting Director's Report with a view to presenting to the 14th Session of the General Assembly recommendations concerning steps that should be taken by the United Nations and its members regarding the future welfare of the refugees after 30th June, 1960, bearing in mind the rights of all parties as recognised by past Resolutions of the General Assembly;

CONFIDENTIAL



# CONFIDENTIAL

I.19512/3/4.

- 2 -

2. Designates ..... and ..... as constituting a Planning Group;

3. Authorizes the Planning Group to travel to the area, and elsewhere as required, in the pursuit of its mission;

4. Requests the Secretary General to furnish the Planning Group with such personnel and assistance as it may consider necessary, and to be otherwise available to render such other assistance as might be desirable;

5. Calls upon all members of the United Nations, and particularly Israel and the Arab States directly concerned to co-operate fully with the Planning Group in the carrying out of its mission;

6. Directs the United Nations Relief and Works Agency for Palestine Refugees in the Near East to pursue its programme for the relief and rehabilitation of the refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year;

7. Requests the negotiating committee for extra budgetary funds, upon the requests of the Director of the Agency, to seek from the members of the United Nations the financial assistance needed;

8. Urges all Governments to contribute or to increase their contributions to the extent necessary to carry through the fulfilment of the Agency's relief and rehabilitation programmes;

9. Expresses its thanks to the Director, Henry R. Labouisse, for the devoted attention he has given to the affairs of the Agency and the welfare of the refugees for the four years of his incumbency, to the staff of the Agency for their continued faithful efforts to carry out its mandate, and to the Specialized Agencies and the many private organisations for their valuable and continuing work in assisting the refugees;

10. Requests the Director of the Agency to continue to submit the reports referred to in paragraph 21 of General Assembly Resolution 302 (IV) of 8th December, 1949, as modified by paragraph 11 of General Assembly Resolution 1018 (XI) of 28th February, 1957."

Ends.

MIN. & DEPT. E.A.  
P.M.'s

9th November, 1958.

SEC A/Ss LA UNO CR PAC&AM AM&SP S&SEA SA EAF&ME E AF&ME INF DL MT  
C&P

# CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

:HB

I.19730

Dated: 11th November, 1958.

2000

Rec'd: 12th November, 1958.  
1553.

FROM: (Via leased channel)

Australian Mission to the United Nations,  
NEW YORK.

NY. 1310 UNCLASSIFIED.

Special political committee Palestine Refugees

Liberia and Saudi Arabia spoke today. Shukairy (Saudi Arabia) made an exhaustive review of problem and criticized United States statement. Main points were:

- (a) contrary to United States view, refugees are united in the view that repatriation is the only solution
- (b) United States suggestion that settlement must be made by Arab-Israeli negotiations, ignores the fact that Israel is the aggressor and that Israel has rejected United Nations Resolutions and Conciliation Commission proposals for repatriation and compensation.
- (c) U.N.R.W.A. resettlement and rehabilitation programmes will not solve issue.
- (d) Arab States have misgivings about possible termination of Agency's mandate; and Arabs will resist any moves to reduce United Nations responsibility for refugees until repatriation takes place.
- (e) called for unilateral sanctions by Member States against Israel e.g. dissolution of Zionist organisations, prohibition of emigration to Israel and halt in economic assistance.

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MIN. DEPT. E.A.  
MIN. DEPT. IMMIGRATION  
TREASURY  
P.M.'s.

12th November, 1958.

SEC A/Ss LA UNO ER CR E.A.F&ME AF&ME INF

G



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

CM

I.19678

Dated: 10th November, 1958.  
1850

Rec'd: 11th November, 1958.  
1630

(via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK.

NY1298. UNCLASSIFIED.

Special Political Committee Palestine Refugees.

The United States spoke today. Agency's financial position has improved since last year. Criticised continued obstruction of Agency's efforts by local officials and called on Governments concerned to co-operate. Traced history since 1948 of assistance for refugees. Member States, including contributors to U.N.R.W.A., have legitimate interest in solution of problem. Agency's report indicates that refugees are realizing that continuation of present system is not in their interest and contributors are becoming increasingly critical of international role. In the United States view extension of mandate is not the proper way to handle the problem and some better system must be found to accelerate the rate at which refugees are made self supporting. This will require careful study and advance planning.

Supported Director's proposal for study of what should be done on expiry of Agency's mandate.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M.S.

12th November, 1958.

*M. J. Hunter*

SEC A/Ss LA UN P.C&M S&SEA SA E.AF&ME E AF&ME  
INF :  
G

*This study will be quite important - by getting an Australian in the group we might be able to play a bigger role in M.E. affairs.*



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

181/4/4

....LstL

I.19679

Dated: 10th November, 1958

2005

Rec'd: 11th November, 1958

1651

FROM:

(via leased channel)

Australian Mission to the United Nations,  
NEW YORK.

NY1301 UNCLASSIFIED

Special Political Committee - Palestine Refugees.

United States spoke today. Agency financial position had improved since last year. Criticised continued obstruction of Agency's efforts by "local officials" and called on Governments concerned to co-operate. Traced history since 1948 of assistance for refugees. Member states including contributors to U.N.R.W.A., have legitimate interest in solution of problem. Agency report indicates that refugees are realizing that continuation of present system is not in their interest and contributors are becoming increasingly critical of international dole.

In United States view, extension of mandate is not proper way to handle problem and some better system must be found to accelerate rate at which refugees are made self supporting. This will require careful study and advance planning. Supporting director's proposal for study of what should be done on expiry of Agency's mandate.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
TREASURY  
P.M.'s

12th November, 1958

SEC A/Ss LA UN ER CR PAC&AM AM&SP S&SEA SA  
E.A.F&ME E A F & ME INF

G

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS.  
**OUTWARD CABLEGRAM.** **CONFIDENTIAL**

MP:ABK

0.14155

TO:

Sent: 11th November, 1958.  
1637.

\*(Transmitted via leased channel)  
Australian Mission to the United Nations,  
NEW YORK....755\*

REPEATED TO:

Australian Embassy,  
WASHINGTON...1701\* (For Information)

CONFIDENTIAL

Your 1271: Palestine refugees.

We agree with Acting Director's proposal for a study and report to next Assembly on future of U.N.R.W.A. and possible alternative means of assisting refugees. We feel, with the United States, that this task should be undertaken by a small committee rather than by a single individual.

2. If this proposal receives sufficient support, it should help to counter at this Session the anticipated pressure from the Arabs, for establishment of the Agency on a permanent basis financed from regular United Nations budget.

3. Position as shown in section on relations with host governments does not appear entirely satisfactory. We wonder whether the United States or the United Kingdom intend to raise this question.

4. Balance of report seems factual.

MIN. & DEPT. L.A.  
MIN. & DEPT. IMMIG.  
TREASURY  
P.M.'S.

12th November, 1958

SEC A/Ss LA UNO ER CR PAC&AM AM&SP S&SEA SA  
E.AF&ME E AF&ME INF

**CONFIDENTIAL**



CONFIDENTIAL

London

11th November, 1953

CONFIDENTIAL

Memo No.... 1194

The Secretary,  
Department of External Affairs,  
CANBERRA. A.C.T.

U. N. R. W. A.

Following instruction from Foreign Office to New York dated 7th November may be of interest:-

"We have considerable doubts about the wisdom of commissioning a report on the Palestine refugee problem as a whole. What we thought the acting Director had in mind in his report was an examination of the possible ways of maintaining the refugees if U.N.R.W.A. were to be abolished. Such an examination would be based on the assumption that the material factors of the refugee problem would remain unchanged pending a political settlement and that the problem would chiefly be one of logistics and finance.

"If this is in fact what the Americans are proposing we would support the idea. We would, however, prefer the report to the work of an individual who would not be subject to governmental pressure and we would very much like Mr. Labouisse to take on the task. If he cannot we hope the Secretariat could find someone suitable.

"We presume that at some stage the Americans will try and forestall possible trouble from the Israelis by keeping them generally informed of the line they propose to take."

2. A copy of this memorandum has been sent to New York.

(J. R. Rowland)  
for Senior External Affairs Representative

CONFIDENTIAL



**RESTRICTED COPY**

OF LETTER FROM  
AUSTRALIAN MISSION TO UNITED NATIONS  
4510 EMPIRE STATE BUILDING, NEW YORK 1, N. Y.

YUkon 6-7676

RESTRICTED

750 Third Avenue,  
New York 17  
11th November 1958

File No. 160/1/1

Memorandum No. 1069/58

The Secretary,  
Department of External Affairs,  
Canberra. A.C.T.

Special Political Committee - Consideration  
of UNEF Progress Report

*M. E. [unclear] retain*  
*Original on*  
*254/10/12/4/6*  
*18/9/6*

I refer to our memorandum No. 1018 of 24th October, reporting the Special Political Committee's decision to consider next the item on its agenda dealing with UNEF. This item comprises the two sub-items (b) and (c) of item 65 on the Assembly's agenda, that is:

- (b) Progress report on the Force; and
- (c) Summary study of the experience derived from the establishment and operation of the Force.

It had been intended that the Committee would begin its consideration of this item on Monday 27th October but, as there was that day an ad hoc Committee of the whole Assembly to pledge contributions to UNWRAPNE and UNEF, the Special Political Committee's meeting was deferred until Tuesday 28th October, by which time the Committee had held no meetings for a week.

2. Most delegations had assumed that the Committee would take the two sub-items under item 65 together, or at least one immediately after the other. Shortly before the meeting on 28th October, however, it became known that there would be a move, supported by the United Kingdom and United States delegations, to have the two sub-items considered separately, the aim being to make it easier to defer consideration of sub-item (c) should this be necessary to allow time for the formulation of a resolution on that sub-item (see our telegram No. 1130). At that stage, the Norwegian delegation considered that the drafting of a resolution on sub-item (c) which most non-Communist delegations (including especially the Indian delegation) could support would need perhaps a week or two. Western delegations in order to facilitate the Norwegian delegation's task were prepared, after sub-item (b) had been taken, to go on to the item on the Committee's agenda dealing with the report of the director of UNWRAPNE, and then to return to sub-item (c) of item 65. It subsequently seemed probable that the terms of an appropriate draft resolution on item 65(c) could be settled more quickly than had been expected (see our telegram No. 1192). Finally, however, (as reported to you in our telegram No. 1253) it became clear that no satisfactory resolution on item 65(c) could be decided upon and the procedure whereby the Secretary-General made a statement on item 65(c) without any discussion in the Committee on the sub-item was agreed upon. The result was that sub-items 65(b) and (c) were taken separately but one immediately after the other; and the Committee then went straight on to take the UNWRAPNE item.

3. The Committee's meeting on 28th October began with a procedural debate on the question whether sub-items 65(b) and (c) should be considered separately or jointly. The representatives of Norway and Ceylon considered that separate consideration was preferable for practical reasons; sub-item (b) concerned the relatively limited problem of whether to continue UNEF and how to finance its continuation; sub-item (c), on the other hand, involved complex general principles. The representatives of the Soviet Union and Bulgaria opposed separate discussion. They considered that there was in fact only one item on the Committee's agenda, of which sub-items (b) and (c) were merely parts. Separate discussion would lead to repetition and would further delay the Committee's progress, which so far had been disappointing. The Committee decided in favour of separate

/consideration by a vote of



11th November 1958

consideration by a vote of 31 - 9 (Eastern European countries) - 18 (some Afro-Asians and some Latin Americans).

4. The representative of Ceylon, Sir Claude Corea, then introduced the following draft resolution (document A/SPC/L.26) relating to item 65(b), sponsored by the members of the Advisory Committee on UNEF (Brazil, Canada, Ceylon, Colombia, India, Norway and Pakistan):-

"The General Assembly,

Noting with satisfaction the report of the Secretary-General on the United Nations Emergency Force (A/3899) and the effective way in which the Force continues to carry out its function,

Requests the Administrative and Budgetary (Fifth) Committee to take such action as may be necessary to finance the continuing operation of the Force."

He referred briefly to the successes of the Force: it had played an important and useful role in securing and supervising the cease-fire and the withdrawal of armed forces from Egyptian territory and had succeeded in maintaining a virtually unbroken quiet along the entire line between Egypt and Israel. The only question now facing the Committee was whether to continue UNEF. There was no question of considering the idea of a new force with differing functions. UNEF still had valuable work to do and it was "impossible" not to continue it.

5. The Chairman then announced that there were no further speakers; and it seemed likely that the Committee would adjourn after sitting for barely thirty minutes. As both the Secretary-General and General Burns were present in the Committee it was an opportune moment to hear any additional remarks they might wish to make; and the representative of Australia (Mr. Cutts) accordingly asked whether Mr. Hammarskjöld or General Burns had anything to add to the report. The Secretary-General replied briefly that he had nothing to add to what was in the report but would be glad to put at the Committee's disposal any clarifications they might desire of technical aspects of the report. He went on to add his personal opinion that in present circumstances the interests of the United Nations would best be served by the continuance of the UNEF operation as it had been established. The Committee then adjourned.

6. The next meeting of the Committee to discuss item 67(b) was held on Wednesday 29th October. The representatives of Italy, France, India, Indonesia and New Zealand spoke in favour of the continuation of UNEF, emphasizing its present financial difficulties. None of these representatives, however, criticized the present method of financing it. The representative of Italy considered that, in view of UNEF's financial difficulties, the Assembly could hardly note with satisfaction those parts of the UNEF report (paragraphs 24, 25, 32 and 33) dealing with financial matters, as the Seven-Power draft resolution proposed. He therefore suggested an amendment to the preamble of the resolution, dividing it into two parts as follows:-

"The General Assembly,

Having considered the report of the Secretary-General on the United Nations Emergency Force (A/3899),

Noting with satisfaction the effective way in which the Force continues to carry out its function,"

This amendment was accepted by the co-sponsors of the resolution.

/7. The representative of Argentina



11th November 1958

7. The representative of Argentina agreed that UNEF should continue to function and said that he would support the amended draft resolution; but he did not approve of the present system of financing it. A similar view was expressed by the representative of Burma. The Argentinian representative specifically suggested that, in principle the expenditure incurred in maintaining an emergency force should be financed from the regular United Nations budget and, if there was a deficit, this should be met by the permanent members of the Security Council, who were primarily responsible for the maintenance of peace and security.

8. Representatives of the Soviet Union, Czechoslovakia and Bulgaria opposed the draft resolution on the following grounds:-

- (a) UNEF had been established in violation of the provisions of the Charter. The General Assembly was not competent to establish such a force, since according to the provisions of Chapter VII of the Charter only the Security Council had power to establish United Nations armed forces,
- (b) UNEF had been established to right a situation caused by the aggression of the United Kingdom, France and Israel. These three countries, therefore, should bear the cost of maintaining UNEF.

The Soviet representative said in addition that UNEF had been set up in unique and exceptional circumstances which were hardly likely to recur. It would therefore be unjustified to apply the UNEF experience to situations which might arise in the future or to take that experience as a basis for establishing a permanent United Nations force. The Indian representative also included in his statement a passage to the effect that no general conclusions could be drawn from the UNEF experience.

9. Thus at the end of the meeting on 29th October it was clear that three strands of opinion were present in the Committee. Western European countries, and some Afro-Asian countries, supported the continuation of UNEF and of the method of financing it by contributions from all members on the United Nations budget scale. Latin American countries, and also some Afro-Asians, supported the continuation of UNEF but considered that the method of financing it should be altered to remove some of the burden from smaller countries. The Soviet and the satellites considered that the United Kingdom, France and Israel should pay the whole cost of UNEF; but they did not go so far as advocating its discontinuance. In addition the Soviet, the satellites and India had served notice that when the committee came to consider item 65(c) they would oppose any resolution applying the general principles arising from the operation of UNEF to the organization of a permanent United Nations force.

10. Debate in the Committee on 31st October continued on the lines indicated above. Yugoslavia expressed support for UNEF and for the amended draft resolution. The South African representative associated himself with those who, while favouring the continuation of the force, were dissatisfied with the present methods of financing it. The Australian representative (Mr. Cutts) supported the continuation of UNEF and present methods of financing it, emphasizing Member States' obligations to pay their UNEF contributions. Towards the end of the meeting the Mexican representative proposed two amendments to the operative paragraph of draft resolution, the first substituting the word "recommend" for "take" and the second inserting the words "on an equitable basis" after the word "action". As amended the operative paragraph would have read:

"The General Assembly .... requests the Administrative and Budgetary (Fifth) Committee to recommend such action on an equitable basis as may be necessary to finance the continuing operation of the Force."

/11. At the meeting of the

RESTRICTED



11th November 1958

11. At the meeting of the Committee on 3rd November, the representative of Canada on behalf of the co-sponsors of the resolution accepted the first Mexican amendment (to substitute "recommend" for "take") but said that the co-sponsors could not accept the second amendment. The latter amendment, he said, could have two possible implications, both of which were unacceptable. It could mean that the scale of contributions previously applied had not been equitable; or it could mean that the Fifth Committee might make recommendations which were not equitable. Some Latin American delegations then said that they would vote for the resolution, even without the second amendment, since they would have an opportunity to express their views on methods of finance in the Fifth Committee. The Mexican representative withdrew his second amendment but stated that he would abstain in the vote on the resolution. After a short description by General Burns of the work and achievements of UNEF the Committee voted on the draft resolution which with the Italian amendment and the first of the Mexican amendments read:-

"The General Assembly,

Having considered the report of the Secretary-General on the United Nations Emergency Force (A/3859),

Noting with satisfaction the effective way in which the Force continues to carry out its function,

Requests the Administrative and Budgetary (Fifth) Committee to recommend such action as may be necessary to finance the continuing operation of the Force."

The resolution was adopted 49 - 9 (USSR and satellites) - 13 (Arabs, some Latins).

for Delegation

GBF/fab

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DRAFT

181/4/4

FOR THE SECRETARY:

PLANNING GROUP ON PALESTINE REFUGEE PROBLEM

The mandate of UNRWA (the United Nations Relief and Works Agency for Palestine Refugees in the Near East) expires on 30th June, 1960. *The Acting Director has proposed that a study be made of its future and a report with recommendations be submitted to the 14th session of the General Assembly.*

2. The United States support this proposal. However, whereas the Acting Director of UNRWA prefers that the study and report should be made by a single individual, the United States prefer the establishment of a small committee of representatives of Governments, or perhaps of persons appointed by Governments and acting in their personal capacities. The United States hope in this way to overcome the difficulty of selecting a person acceptable to both Israel and the Arab States.

3. The Arabs are reported to be suspicious of UNRWA's proposal, as they fear that the whole Palestine problem would be reopened for further United Nations discussion and action. According to the United States delegation, the Arabs will try very hard this year to press the view that UNRWA should be established on a permanent basis, with contributions to it becoming a part of the regular United Nations budget.

4. A solution along the lines of reported Arab thinking would be undesirable from our point of view. To make UNRWA permanent would imply that the refugee problem is a permanent one, and this we would not wish to admit. Australian spokesmen have consistently stressed the need for a Middle East settlement involving relations with Israel, and in this the refugee problem is fundamental.

5. UNRWA's proposal that a study and report be made for the 14th Session would seem to provide the best course of action, particularly since it has United States backing. The United States view that the study and report should be made by a small committee seems more realistic than the Acting Director's view that the task should be entrusted to a single individual.

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6. The United States has drawn up a draft resolution (copy attached) which it is considering with the United Kingdom, the Netherlands and New Zealand as possible co-sponsors.

7. From the political aspect, there would seem to be considerable advantage in our being represented on the Planning Group proposed in the United States draft resolution.

(a) The Middle East has become a major area in the Cold War.

Recent events have demonstrated that Australia cannot remain detached from developments in this area. But apart from

Tel Aviv, we at present have no representation there. Membership of the Planning Group would give us first-hand information and contacts -

6 presumably at the expense of the United Nations.

(b) We might be able to make some contribution towards a solution.

The Australian Government's views would be brought directly to bear upon the problem. However, if the Planning Group failed, no odium could be attached to Australia.

(c) Our only representative in the area being in Tel Aviv, we are almost completely dependent for information on United Kingdom and United States sources. This situation would be improved by our being represented on a Group which would travel widely and presumably discuss matters at a high level.

8. There is the possibility that our candidature might be unwelcome to the U.A.R. and other countries in the Area. Nevertheless we have twice recently supported U.A.R. candidates on their merits and could reasonably expect the U.A.R. to reciprocate - though the importance of the post we might seek is much greater, Israel might perhaps welcome an Australian appointment.

9. To enable further consideration to be given to the possibility of Australia seeking an appointment on the Planning Group, we need to know more about the size of the Group, its possible composition, level of representation, its likely plan of work and centre of operation. A suggested telegram of enquiry to the Mission in New York is attached for your consideration.

(J.C.C. KEVIN)  
Assistant Secretary.

CONFIDENTIAL



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AUSTUNAT  
NEW YORK

CONFIDENTIAL

Your NY.1298 Palestine Refugees.

We are interested in UNRWA's proposal for study of problem and report to 14th Session and United States view that small committee could best undertake this work. Depending on nature of committee we might wish to seek membership. Grateful for any indication you can obtain (without compromising New Zealand Delegation vide your NY.1283) of expected size and composition of committee, level of representation, plan of work and centre of operations.

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181/4/4

12/11/58



CONFIDENTIAL

DRAFT

181/4/4

FOR THE SECRETARY

Planning Group on Palestine Refugee Problem

The mandate of UNRWA (the United Nations Relief and Works Agency for Palestine Refugees in the Near East) expires on 30th June, 1960. UNRWA has proposed that a study be made of its future and a report with recommendations be submitted to the 14th session of the General Assembly.

2. The United States support this proposal. However, whereas the Acting Director of UNRWA prefers that the study and report should be made by a single individual, they prefer the establishment of a small committee of representatives of Governments, or perhaps of persons appointed by Governments and acting in their personal capacities. The United States hope in this way to overcome the difficulty of selecting a person acceptable to both Israel and the Arab States.

3. The Arabs are suspicious of UNRWA's proposal, as they fear that the whole Palestine problem would be reopened for further United Nations discussion and action. According to the United States, they will try very hard this year to press the view that UNRWA should be established on a permanent basis, with contributions to it becoming a part of the regular United Nations budget.

4. A solution along these lines would be undesirable from our point of view. To make UNRWA permanent would imply that the refugee problem is a permanent one, and this we would not wish to admit. Further, international intervention in the problem has not produced a solution and there is need for some better system which can accelerate the rate at which refugees are made self-supporting.

5. UNRWA's proposal that a study and report be made for the 14th Session would seem to provide the best course of action, particularly since it has United States backing. The United States view that the study and report should be made by a small committee seems more realistic than the Acting Director's view that the task should be entrusted to a single individual.

CONFIDENTIAL



CONFIDENTIAL

2.

6. The United States has drawn up a draft resolution (copy attached) which it is considering with the United Kingdom, Netherlands and New Zealand as possible co-sponsors.

7. From the political aspect, there would seem to be considerable advantage in our being represented on the committee proposed by the United States.

(a) We have in the past had a traditional and at times direct interest in the Middle Eastern area, but this has tended to wane since the limitation of our defence interests to South East Asia. Nevertheless we are still vitally concerned in events in the Middle East - and in any case we are a large contributor to UNRWA: membership of the Committee would give us an opportunity of renewing our activity in the area.

(b) Because of our background in the area, we might be able to make some contribution towards a solution.

(c) Our only representative in the area is in Tel Aviv, and we are almost completely dependent for information on United Kingdom and United States sources. The danger inherent in this situation could be mitigated to an extent by our being represented on a committee which would travel widely and discuss matters on the highest level. The value of our representative to us would be enhanced if the Committee were composed of representatives of Governments acting in their official capacity.

8. Any representative we might propose would probably need to be of senior status.

9. There is, of course, a danger that our candidature might be unwelcome to the U.A.R. Nevertheless we have twice recently supported U.A.R. candidates on their merits, and could expect the U.A.R. to reciprocate. In addition our relations with Egypt are slowly improving.

CONFIDENTIAL



CONFIDENTIAL

3.

10. A suggested telegram of enquiry to the Mission in New York is attached for your consideration.

(B. G. DEXTER)  
Africa and Middle East Sections

See 1/11

CONFIDENTIAL



DRAFT

AUSTONAT  
NEW YORK

CONFIDENTIAL

CONFIDENTIAL

Your NY.1298 Palestine Refugees.

We are interested in UNRWA's proposal for study of problem and report to 14th Session and United States view that small committee could best undertake this work. Depending on nature of committee we might wish to seek membership. Grateful for any indication you can obtain from United States (without compromising New Zealand Delegation <sup>with</sup> your NY.1283) of their estimate of size and composition of committee and level of representation.

CONFIDENTIAL

181/4/4

12/11/58



DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

181/4/4

SHA.

I.19525.

Dated: 7th November, 1958.  
1800

FROM:

Recd.: 8th November, 1958.  
2054

Australian Mission to United  
Nations,  
NEW YORK.

(via leased channel)

NY1282.

UNCLASSIFIED.

Palestine Refugees.

Carver made statement before the Committee today. After referring to the principal activities (relief, education) of the Agency in the past year, he made a strong plea for further contributions. UNRWA has budgeted for 36 million dollars for 1959, but only 25 million dollars were pledged at recent Pledging Conference. As regards the future the Assembly could:

- (a) extend Agency's mandate, or
- (b) make alternative arrangements to meet the needs of refugees or
- (c) make arrangements for the study of the whole problem so that decision could be taken at 14th Session.

There were no statements and the Committee adjourned until Monday.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M.'s

9th November, 1958.

SEC A/Ss LA UNO ER PAC&AM S&SEA LAF&ME E AP&ME INF C&P

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS.  
INWARD CABLEGRAM.

CONFIDENTIAL

181/4/4

SHA.

I.19512/3/4.

Dated: 7th November, 1958.  
2022

FROM:

Recd.: 8th November, 1958.  
1518

Australasian Mission to United Nations,  
NEW YORK.

(via leased channel)

N1283.

CONFIDENTIAL.

Palestine Refugees.

The New Zealand Delegation has given us in strict confidence copy of the American draft resolution. The draft will be discussed with The Netherlands, the United Kingdom and New Zealand as potential co-sponsors before being shown to the Arabs and Israelis.

The following is the text:-

Begins:

"The General Assembly,

Recalling its Resolution 194(III) of 11th December, 1948, 302 (IV) of 8th December, 1949, 393 (V) of 2nd December, 1950, 513 (VI) of 26th January, 1952, 614 (VII) of 6th November, 1954, 720 (VIII) of 27th November, 1953, 818 (IX) of 4th December, 1954, 916 (X) of 3rd December, 1955, 1018 (XI) of 28th February, 1957, and 1191 (XII) of 12th December, 1957,

Recalling that Resolution 818 (X) extended the mandate of the United Nations Relief and Works Agency for Palestine refugees in the Near East until 30th June, 1960,

Noting the Annual Report of the Acting Director of the Agency and in particular the observations set forth in paragraphs 8, 9, 10 thereof relating to the expiration of the Agency's mandate on 30th June, 1960 and the need for a decision concerning the future welfare of the Palestine refugees.

Noting that repatriation or compensation of the refugees, as provided for in paragraph 11 of Resolution 194 (III), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of Resolution 513 (VI) for the reintegration of refugees and that, therefore, the situation of the refugees continues to be a matter of serious concern,

1. Considers that a planning group should undertake an urgent and careful study of the Palestine refugee problem in the light of past United Nations experience and the observations made in the Acting Director's Report with a view to presenting to the 14th Session of the General Assembly recommendations concerning steps that should be taken by the United Nations and its members regarding the future welfare of the refugees after 30th June, 1960, bearing in mind the rights of all parties as recognised by past Resolutions of the General Assembly;

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181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.** **CONFIDENTIAL**

I.19512/3/4.

- 2 -

2. Designates ..... and ..... as constituting a Planning Group;

3. Authorizes the Planning Group to travel to the area, and elsewhere as required, in the pursuit of its mission;

4. Requests the Secretary General to furnish the Planning Group with such personnel and assistance as it may consider necessary, and to be otherwise available to render such other assistance as might be desirable;

5. Calls upon all members of the United Nations, and particularly Israel and the Arab States directly concerned to co-operate fully with the Planning Group in the carrying out of its mission;

6. Directs the United Nations Relief and Works Agency for Palestine Refugees in the Near East to pursue its programme for the relief and rehabilitation of the refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year;

7. Requests the negotiating committee for extra budgetary funds, upon the requests of the Director of the Agency, to seek from the members of the United Nations the financial assistance needed;

8. Urges all Governments to contribute or to increase their contributions to the extent necessary to carry through the fulfilment of the Agency's relief and rehabilitation programmes;

9. Expresses its thanks to the Director, Henry R. Labouisse, for the devoted attention he has given to the affairs of the Agency and the welfare of the refugees for the four years of his incumbency, to the staff of the Agency for their continued faithful efforts to carry out its mandate, and to the Specialized Agencies and the many private organisations for their valuable and continuing work in assisting the refugees;

10. Requests the Director of the Agency to continue to submit the reports referred to in paragraph 21 of General Assembly Resolution 302 (IV) of 8th December, 1949, as modified by paragraph 11 of General Assembly Resolution 1018 (XI) of 28th February, 1957."

Ends.

MIN. & DEPT. E.A.  
P.M.'s

9th November, 1958.

SEC A/Ss LA UNO CR PAC&AM AM&SP S&SEA SA EAF&ME E AF&ME INF DL NT  
C&P

**CONFIDENTIAL**



UNITED NATIONS  
GENERAL  
ASSEMBLY



Middle East  
y.h.  
Distr.  
GENERAL

A/SPC/29  
7 November 1958

ORIGINAL: ENGLISH

Thirteenth session  
SPECIAL POLITICAL COMMITTEE  
Agenda item 26

REPORT OF THE DIRECTOR OF THE UNITED NATIONS RELIEF AND  
WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST

Statement of Leslie J. Carver, Acting Director, United Nations  
Relief and Works Agency for Palestine Refugees, before the  
Special Political Committee  
7 November 1958

1. May I say first how grateful I am for this opportunity of appearing before this Committee to introduce the Annual Report of the Director of the United Nations Relief and Works Agency. In it, I have tried to give a clear picture of the Agency's performance in carrying out two of the tasks laid down by the General Assembly - that of keeping alive and healthy the Arab refugees from Palestine and their families, and that of attempting to arrange for their reintegration into the economic life of the Near East, either by repatriation or by resettlement. I have also described UNRWA's financial situation and have referred to the problem of the future.
2. There are one or two points in the account of the last twelve months to which your attention should be drawn.
3. First, there is the fact that we have survived another twelve months without a major epidemic. To those of us on whom you have placed the heavy responsibility for this work, it is a source of immense gratification that we have been spared such a disaster, and I pray to God that we shall continue to be so spared. Considering the conditions in which many of the refugees are living, and considering the comparatively low nutritive content of the monotonous ration, it is little short of a miracle.
4. Next is the way in which the most recent crisis in the Middle East has been met and overcome. Soon after the beginning of May the situation in Lebanon

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deteriorated, and access to many points where refugees were located became difficult. In at least one case, normal access was impossible. This was a camp in the north to which the usual road was cut by trenches and by the demolition of bridges. We managed, however, to improvise an emergency service by sea, by means of which refugees requiring hospitalization were evacuated, and the rations for over 6,000 people delivered on the beaches. This is only one example of the many different ways in which we improvised to ensure that services were maintained with the least possible interruption.

5. Beirut is the main port through which supplies are channeled to Syria and Jordan, and the crisis in Lebanon closed the route to these two countries. It was a comparatively simple matter to divert supplies destined for Syria to Lattakia, but Jordan presented a special problem. Their only port is Aqaba, on an arm of the Red Sea, where installations are far from complete. The link between Aqaba and Amman is a tenuous one, served partly by a railway with a very low capacity, and partly by road of which only about a third is metalled. This slender lifeline was suddenly called upon to meet the needs of the whole population, of which the refugees form nearly one third. Somehow the impossible was achieved, and the supplies managed to get through. I am not claiming the kudos in this for UNRWA, because it was principally the Government and the transport contractors who met and overcame the immense difficulties which faced them. But it was an anxious time, and the staff in Jordan were hard put to it to maintain services.

6. Then there is the extremely low over-all cost of the operation. Our biggest single item of expenditure is food. On this we will spend, during 1958, about \$17.50 per refugee, or less than 5 cents per day. In addition, we spend an average of \$1.50 per person per year on supplementary food items for special vulnerable groups, issued on the authority of the medical staff. Let us say \$19.00 in all for food.

7. The cost of health care including medicines and drugs, hospital services and clinics, amounts to just under \$3.00 per person for a whole year. Shelter, which included some - though not enough - construction of new huts as well as the maintenance of over fifty camps housing 400,000 refugees, will cost us just over \$4.00 per head of the camp population. The cost of educating nearly 150,000 children appears, by comparison, to be high at \$25.00 per pupil, but I

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would ask you to compare this figure with similar costs elsewhere, especially in the Middle East, and to remember that this is the essential first step in preparing the younger generation of refugees to take their place in a highly competitive world. I must add that we have continued to receive invaluable assistance from the host Governments who accept many more refugee children in their schools than the Agency is able to subsidize, and whose expenses are in any case higher than the subsidy which UNRWA provides. This problem of education is one of immense importance, for nearly half the refugee population is under sixteen years of age, and without education their chances of becoming self-supporting are drastically reduced.

8. In addition to elementary and secondary education, we have been able to provide university education and vocational training for a few young men and women. Nearly 370 young refugees were carefully selected from the thousands who complete their secondary education and were given scholarships at Arab universities, where they are taught to become doctors, engineers, teachers and the like - professions which are so badly needed in the Arab world. Another 350 pass through the Agency's two vocational training centres and acquire skills such as plumbing, building, carpentering and the like. Further groups are trained to become nurses, pipe-line welders and secretaries. In all, close to 1,000 young people receive this form of education and training, at an average cost of about \$700 per year. This is a mere handful compared with the numbers who require it, and by no means meets the growing demand. This is one of our soundest investments, for it is the key which opens the door to employment for those who were lucky enough to secure a scholarship or a place in one of our vocational training establishments.

9. All in all, including the cost of transporting, warehousing and distributing supplies, as well as that of the myriad supporting activities which an operation of this size requires, the cost of the basic services and of education will this year work out at about \$34.50 per refugee - less than 10 cents per day. This will help to explain the remark in my report that the standards of relief are still very low.

10. It is appropriate at this point that I should draw your attention to the views expressed by the UNRWA Advisory Commission, which have been circulated as document A/3948. You will have noted that the Commission endorses UNRWA's budget for 1959 and recommends it to the General Assembly for approval. It notes that

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there are no grounds for complacency with regard to the Agency's finances, and after expressing its appreciation of the special efforts already made, the Commission strongly urges the continuation of those efforts, including the invaluable help of the Secretary-General, in order to raise the \$36 million of new money required to finance the 1959 budget. After drawing attention to my remarks about the standards of relief, the Commission has also recommended that additional funds be contributed in order to improve those standards and to complete the services where they are inadequate. It further recommends that resolution 916 (X) concerning assistance to frontier villagers, bedouins and other claimants for relief, be reviewed. In these - as indeed in all our activities - the Agency is the instrument and servant of the General Assembly, and I must ask for clear instructions on these matters and a firm assurance that the funds needed for any extension of our services, either in kind or to new groups of people in need, will be contributed over and above the \$36 million.

11. My report draws attention to the fact that in some respects our relations with the host Governments are less than satisfactory. Some of our difficulties spring from a refusal to recognize the Agency as a subsidiary organ of the General Assembly. We are hoping to reach a solution on this particular point during the course of the next few days, but if we fail I hope you will agree that the resolution should contain appropriate words reaffirming our status and leaving no room for further misunderstanding.

12. Most of my remarks have so far concerned the first of the two tasks to which I referred earlier. Let us turn now to consider progress on the second task with which we have been charged by the General Assembly, that of helping to reintegrate the refugees into the economic life of the Near East, either by repatriation or by resettlement. We must remember that there are two - at least two - aspects of reintegration - an economic one and a political one. Complete reintegration can, in my opinion, be achieved only by satisfying both aspects, and the political aspect will be satisfied only by offering the refugees the choice embodied in paragraph 11 of resolution 194 (III), or by some other political solution acceptable to all concerned. This, however, is not UNRWA's responsibility.

13. On the other hand, the Agency is concerned with the economic aspect of reintegration. If you agree with the view I have just stated, you will recognize

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that the possibilities of progress in this field, by itself, are restricted. Without reviewing in detail the history of our efforts, I will try to set out the position as I see it today.

14. There have been three main phases, or chapters, in our continuing efforts to promote economic reintegration. The first was the so-called works projects, the second was the large-scale development projects - the Yarmuk/Jordan Valley and Sinai projects - and the third is projects for assistance to individuals. The works projects were abandoned because of their high cost, and because they were not integrated into the general economic development plans of the host countries and provided only casual and temporary employment.

15. The second group, that of the large-scale development projects, never proceeded beyond the planning stage because refugees and host Governments alike believed that participation in such projects would mean abandoning the refugee's rights to repatriation and compensation. There was also another reason for failure; the special programme for relief and reintegration submitted by the then director in 1951 - which was endorsed by the sixth General Assembly - was one which envisaged parallel large-scale development programmes of benefit to citizens of the countries concerned. Those large-scale development programmes have not as yet been implemented. It would never really have been feasible to create a special major project from which the refugees alone would benefit, using the limited resources of the region, and denying them to the indigenous population.

16. We come then to the third group - that of projects of individual assistance. There are two kinds of projects which the refugees have accepted - that of vocational training for the younger generation, and that of individual grants. Neither of them possesses the political objections which are attached to the large-scale projects: both of them have their place in the economic development of the Middle East which has already started and will gain momentum in the coming years. The vocational training of young men and women is, indeed, capable of playing an increasingly important part in economic progress, for the shortage of skills and handicrafts is as great a handicap to development as the shortage of finance. Our two vocational training centres cannot even now meet the demand, and within a few years the demand will be much greater. This is the time to prepare; there is none to be lost.

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17. As regards the individual grants programme, there were 1,600 applications outstanding when the shortage of funds forced us to close down in 1957. By that time over 7,000 refugees had been made self-supporting in Jordan and Syria. Here again constructive work was brought to an end at a time when real progress was being made.

18. Thus it is not true - as is sometimes alleged - that the refugees refuse our offers to help them to become self-supporting. At best, it is only partly true: the refugees have rejected certain kinds of self-support projects because they will not accept the political implications, but they will accept other kinds - e.g., individual grants and vocational training - and it is our inability to secure the funds that has held up progress. Given more money, we could have done and can still do much more.

19. Self-support activities of this kind require funds. We have at present only two vocational training centres, having been forced to abandon plans for several more during the financial crisis of 1957. The generosity of contributors this year has enabled us to revive plans for building another vocational training centre and two teachers' training centres, and to restart the individual grants programme in a very small way. If we had the assurance of more funds now, and of continued support in the future, we could expand the vocational training and the grants programmes and make a real contribution to the economic development of the Middle East.

20. Unfortunately, the Pledging Conference on 27 October did not guarantee those funds. We are grateful to all those Governments who made pledges on that occasion, and we hope that others who were not able to do so then, will contribute later. The results, in brief, are as follows: assuming that those Governments who are unable at present to pledge for the last six months of 1959 will do so in due course, at the same rate as for the first half of the year, we can expect, through the application of the 70 per cent matching principle that attaches to the United States pledge, to receive only about \$25 million. If we can obtain further contributions in the amount of \$2.5 million from sources other than the United States of America, we can then make full use of the United States pledge and will receive about \$33 million. This is still half a million dollars short of the needs of our basic relief and education programmes. We shall require a

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Page 7

further \$3 million to enable us to finance our whole budget, which includes money for an increased individual grants programme by means of which we hope to make self-supporting several thousand refugees. I earnestly plead that all Governments - and in particular those who have not so far made pledges - should reconsider their position in the light of the possibilities for constructive work to which I have referred, with a view to making good our financial deficiencies.

21. I cannot close my remarks without making some reference to the future. The Agency's mandate, after successive extensions, is due to be terminated or renewed on 30 June 1960 - about twenty months away. The decision is a crucial one and may well affect the future of the Middle East to an extent far greater than many people would believe.

22. It seems to me that there are three choices before the members of this Assembly: they can decide to extend the mandate of the Agency; they can decide to bring the Agency to an end and to make alternative arrangements for meeting the needs of the Arab refugee population - for no one can doubt that those needs will still exist beyond July 1960; or, given the critical nature of the decision, they can make arrangements for a study of the whole problem, including UNRWA's work, in order that a decision may be taken at the next session.

23. I have referred to the decision as a critical one, and I will explain why I have used so strong a word. There are at least four groups who have a vital interest in that decision. There are the refugees themselves, a community of about one million human beings, the majority of whom have for ten years been leading an unnatural and unsatisfying existence dependent upon international charity. Whatever the decision, it must take into account the effect upon the lives and the future of this immense body of people. Then there are the host Governments, for whom the refugee question poses most serious and fundamental problems of a political, economic and social nature. There are the contributing countries, who want to know how long will they be asked to continue giving and what hope there is for the future. Finally, there is the interest of the United Nations as a whole in the maintenance of peace and order in the Middle East, and in this humanitarian operation.

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24. It may be that reconciling the various interests that I have described will be difficult. It is not for me to suggest what should emerge for the future, but I believe it to be my duty to try to describe once again what, in my judgement, will be the fundamental characteristics of the problem in 1960 of which any decision must take full account. In the first place, there will be hundreds of thousands of people who will need the scanty relief services of the kind UNRWA now provides at such a modest cost. Secondly, there will be tens of thousands of children who will need the schooling that UNRWA now gives. Thirdly, there will be thousands of refugees seeking the opportunities for self-support which UNRWA could provide if it had the funds. These conditions will continue to exist for a number of years, even if there were tomorrow a political solution to the refugee problem. Such a solution cannot immediately eliminate the need for the services which UNRWA now provides, and international assistance will be required for some time. The satisfaction of these needs is not merely an endless, hopeless drain upon the world's resources. Surely we should regard it as an investment in peace and as a step in the fulfilment of the promise of a better life for all people living in the Middle East.

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DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

CONFIDENTIAL

181/4/4

LS:L

I.19440

Dated: 6th November, 1958

1830

Rec'd: 7th November, 1958

1554

FROM:

(via leased channel)

Australian Mission to the United Nations,  
NEW YORK.

NY1271 CONFIDENTIAL

Repeated Washington for information.

Palestine Refugees.

The United States delegation have given us following views on the handling of this item;

United States support Acting Directors proposal (paragraph 7 Document A/3931) for a study and report with recommendations to 14th Assembly on the future of the Agency. They understand Carver prefers that this task be undertaken by a single individual. The United States foresee great difficulty in the selection of a person who would be acceptable both to Israel and the Arabs and accordingly they prefer a small committee of representatives of Governments or perhaps persons appointed by Governments and acting in their personal capacities. The Arabs are suspicious of Carver's proposal because they fear that the whole Palestine problem will be opened up for further United Nations discussion and action. According to the United States the Arabs will try harder than ever this year to press the view that the Agency should be established on a permanent basis and that contributions to it should become part of the regular United Nations budget.

2. The United States envisage having same sponsors for the resolution as they had last year, i.e. the United States United Kingdom, the Netherlands and New Zealand.

3. We would appreciate an early indication of your views on the Acting Director's report as a guide to the Australian statement in the debate, particularly on the proposal for a report on the future of the Agency. Our feeling is that this proposal should be supported and that, even if in 1959 the Assembly is obliged to re-establish the mandate of the Agency, the Assembly should be in a position to examine that question thoroughly.

MIN. & DEPT. E.A.  
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TREASURY  
P.M.'s

7th November, 1958

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DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The New York Times*

File No.

AF

Published at

*New York*

Date *29-10-58*

## Accord on Arab Refugees Sought To Achieve Permanent Solution

By KATHLEEN TELTSCH

Special to The New York Times

UNITED NATIONS, N. Y., Oct. 27—The United States called on the Arab lands and Israel today for renewed efforts to resolve the predicament of about a million Arab refugees.

Most of the refugees have been dependent on United Nations food and other help since the Palestine fighting in 1948.

The appeal was made by Senator Bourke B. Hickenlooper, Republican of Iowa and a delegate to the United Nations, at a fund-raising conference for the United Nations Relief and Works Agency. Thirty-three governments promised \$27,500,000 for agency activities this year and next.

The United States, the Senator announced, will have contributed \$23,000,000 toward operations through next June 30, however, he noted that the agency's mandate would run out in 1960, and added:

"We urge that all concerned, and most particularly Israel and the Arab states, bend every effort to provide for some more satisfactory means of dealing with the refugee problem than the mere continuation of the present system."

Senator Hickenlooper also announced that, apart from contributing the largest share of the agency's budget—70 per cent—the United States would give \$3,750,000 for any activities that would get at least some of the refugees permanently established in new homes.

The offer was viewed here as an attempt to encourage the countries involved to absorb at least some of the refugees. United States sources said it

was a reflection also of growing Congressional desire for some permanent settlement.

Britain announced a contribution of \$2,700,000 for the first six months next year, plus another "generous" gift to be made later. Smaller contributions came from Australia, Canada, New Zealand, West Germany, France and Saudi Arabia.

Leslie J. Carver, acting director of the relief agency, estimated that \$36,000,000 would be needed to cover costs next year. Even with the expected new contributions, it is calculated that the agency will receive only about \$30,000,000.

The Soviet Union, which has never contributed to the agency, stayed away from the pledging conference.

It also boycotted a second fund-raising meeting held for the benefit of refugees cared for by the United Nations High Commissioner for Refugees.

This program covers about 2,000,000 European refugees who need either practical aid or legal assistance. Virtually all are political refugees from Communist countries.

Dr. Auguste R. Lindt, the high commissioner, has estimated that it will cost at least \$6,000,000 to carry out this aid program next year. At today's session, twenty-five states pledged \$3,127,220, the largest gift, \$1,200,000, coming again from the United States.

Dr. Lindt reported that only 14,000 refugees under his care remained in temporary camps in West Europe. He said it would take \$5,700,000 to get all of the refugees out of camps and into permanent homes by the end of 1960.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The New York Times*  
Published at *New York*

File No. *181/4 ME*  
Date *24. 10. 58.*

## J. N. REFUGEE AIDE CITES ARAB CURBS

Some Operations of Relief  
Agency Said to Be Impeded  
—'59 Budget Submitted

By KATHLEEN TELTSCH  
Special to The New York Times.

UNITED NATIONS, N. Y., Oct. 22—The acting head of the United Nations' aid program for Arab refugees complained today of interference by Arab Governments in the relief operation.

The objections were made in a report by Leslie J. Carver to the General Assembly asking \$37,500,000 for the 1959 budget of the United Nations Relief and Works Agency.

The agency helps care for more than 800,000 Arabs, most of whom fled their homes nine years ago during the Palestine war. They have been living in Jordan, Lebanon and the United Arab Republic.

Working relations with the Arab host countries have been generally satisfactory, Mr. Carver reported, but there have been a series of difficulties.

He said the agency's operations were hampered by the continued withholding of permits to allow his international staff to enter the Gaza Strip, controlled by the United Arab Republic, where 225,575 refugees live.

Restrictive regulations concerning the rail transport of relief goods between Lebanon, Jordan and the Syrian region of the Arab Republic have caused not only delay but also an extra cost of more than \$650,000.

### Principles Challenged

The acting director said no critical situation had arisen, but he maintained that the incidents constituted a challenge to the principles governing the operations of the United Nations agency and on occasion had hindered its effective functioning.

Mr. Carver, who assumed leadership of the relief program last June after Henry R. Labrousse resigned, reported to the Assembly that there had been small improvement in the refugee situation.

He said the refugees showed "collective hostility" toward any major project that seemed to them to imply that they would not be returned to their homes, which are in Israel.

He added that Israel, in turn, had taken no affirmative action either to take back the refugees or to compensate them.

Israel's position has been that action on the refugee claims should be considered as part of a general peace settlement, which would have to take account of such questions as the cessation of the Arab states' boycott of Israeli commerce and of the refusal to recognize the existence of the Israeli state.

### Vocational Training Given

The brightest hope for the future, the relief agency official reported, is the growing appreciation among the refugees of the agency's offer of help in making them individually self-supporting. The agency has provided modest individual grants—not exceeding \$500—to help refugees get a new start as tailors, cobblers and farmers or in other occupations.

Other encouraging signs, the report said, are the refugees' willingness to see their tents replaced with huts and to see



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Other encouraging signs, the report said, are the refugees' willingness to see their tents replaced with huts and to accept vocational training.

Mr. Carver advised that this trend should not be stifled by lack of financial support.

He urged the Assembly to keep in mind that the agency's mandate ran only to June 30, 1960, when the operations must either be renewed or alternative action taken.

The agency draws its financial support mainly from the United States, which contributes about 70 per cent of the budget and has averaged about \$22,000,000 for each of the last two years.



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No. 4.....

Date 18<sup>th</sup> Oct. 1958.

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TEL AVIV.



230.5.

18th October, 1958.

Despatch No. 4.

Sir,

COMPENSATION FOR ARAB REFUGEE LAND  
IN ISRAEL.

There is no sign that the impasse on the Palestine-Arab refugee problem as a whole is likely to be broken in the near future, and there is nothing new to be said about the Israeli attitude to the question. This has long since received its classical exposition, and whenever it is necessary to make a full-dress declaration on the subject, the same theme is played, with very few variations. Two typical and moderately recent expositions of the Israeli view are afforded by the statement of the Israel representative (Mr. M. Gornay) before the Special Political Committee of the General Assembly on the 19th February, 1957, and by the chapter on the Arab refugees in "The First Ten Years", the work recently published by Dr. Walter Eytan, Director-General of the Ministry of Foreign Affairs.

2. I am not clear whether the Arabs have ever formally taken the position that they would settle for compensation as opposed to "repatriation", but Israel has accepted the principle of the payment of compensation. As I think it is a sound view that the passage of time has destroyed any prospects (if they ever existed) of the possibility of the wholesale return of the refugees into what is now Israel it is worth while to examine the idea of compensation, blowing the dust from some facts which have been left in obscurity - and to which Israel does not specifically direct attention - and adding a little by way of commentary.

3. As Dr. Eytan says in his work, "Israel accepted the principle of compensation as long ago as 1949 and stands by it still. In practice, as Mr. Eban pointed out in the General Assembly in 1955, 'payment of compensation would require the solution and clarification of related problems .... The Arab Government cannot attempt to stifle Israel financially by blockade and boycott, and at the same time expect Israel to assume heavy financial burdens for this and future generations of its citizens.'" It is perhaps because Israel has never been faced with the prospect of being asked to make its promises good (and perhaps subconsciously feels that it never will be), that in public statements no attention is ever paid to the questions of the quantum and recipients of such compensation as is contemplated.

The Right Honourable R. G. Casey,  
C.H., D.S.O., M.C., M.P.,  
Minister of State for External Affairs,  
CANBERRA. A. G. T.

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2.

4. These questions involve consideration of the identity of the properties concerned, their ownership at the date of abandonment, and their values. The present legal ownership of these lands and their devolution, according to the law of the State of Israel, were discussed at some length in my memoranda 314 and 420 of 24th July, 1957, and 20th September, 1957, and it is necessary here only to recall that by Israeli law the titles of the former owners (the refugees) have been extinguished, and have been vested in Israeli authorities, who may in some cases have sold or leased them, and that on the physical and practical side, the individual blocks which used to be in separate ownership have in a very great number of cases lost their physical identity by amalgamation with neighbouring blocks in connexion with large settlement schemes.

5. The records of the Israeli Development Authority, in which these properties were vested, as well as the records of rating and tax authorities, presumably contain information on the identity of many of the properties, but a more comprehensive series of records is being prepared by the United Nations Conciliation Commission for Palestine which has for some years past been conducting its own inquiries into the identification of these blocks; (it should, however, be remembered that the Commission is dealing only with the lands as they existed before being taken over by Israeli authorities and into the Israel economy). Its pilot project was started in 1952, and its sixteenth Progress Report dated the 18th June, 1958 (A/3835) gives the present status of the project.

6. The Commission points out that not all Palestine land was "registered" i.e. there was not a certificate of title on the Torrens model available for all of this land, and in respect of the non-registered land the information - largely obtained from tax lists and other like data - was not as precise as that to be obtained from the Registers of Title.

7. The procedure of identification adopted by the Commission has been, in respect of each Arab-owned parcel or unit of land ownership, the preparation of a basic form, which gives, as at the termination of the British mandate, the location, area, description, names of owners and extent of their interests, particulars of encumbrances, taxation categories, as well as the consideration recorded in any sale taking place during 1946 and 1947. The Commission estimates that the whole task will require 450,000 forms. So far 427,600 forms have been completed, i.e., in terms of blocks (excluding the rural area of Beersheba sub-district), 9,920 out of a total of 10,480 blocks. In other words the bulk of the identification has been completed. No attempt, so far as I am aware, has been made to trace the devolution of the title of any of the owners who have died since being expropriated. This will be an additional complication, of formidable proportions.

8. Although the Commission states that all Governments concerned quite willingly afforded access to land registry, taxation and other records, there have been practical difficulties in respect of access, with the result that the work has not been finished as soon as was hoped.



3.

9. Valuation. The Commission in its last report stated its opinion that "any record of Arab refugee property holdings in Israel which ignores the question of value would be incomplete"; it realises the importance of having available for the work of valuation staff thoroughly familiar with the problems involved, as well as the likelihood that the services of such staff will become increasingly difficult to procure with the passage of time. The last report of the Commission (A/3835) noted its decision to carry out a programme of valuation as soon as possible, but no information on the progress of this is yet available. There is thus no objective and non-Israeli assessment of value available either individual or total, and indeed the Israel authorities themselves have probably not got comprehensive information either. The question is of relevance to them in respect of their own Arab displaced persons, i.e., people who have remained in Israel but whose lands have passed out of their legal possession and ownership, while they themselves were in Arab-controlled territory or parts of Palestine during the Arab-Israel war. Thus, ten years after their dispossession, these former landholders have not been compensated, nor has there been any determination of the value of what they have lost. In July 1958 it was decided to appoint some district public committees to advise the Development Authority on the fixing of fair compensation for abandoned property acquired by the Authority, and some guidance as to the time in respect of which the value is to be calculated was given (see my memorandum 390 of the 5th August, 1958).

10. If the behaviour of the Israel Government in respect of the Templar properties is any guide, the calculation of the value of the refugees' lands and the establishment of a value of them acceptable to Israel can be expected to be extremely protracted, and to be deferred by all the devices of delay, obstruction and disingenuous argument which can be brought to bear. The amount of compensation settled upon is likely to be substantially different, according to whether it turns out to be a lump sum reached as a result of inter-governmental bargaining and payable from government to government or is assessed in respect of individual properties and paid to individual owners.

11. Recipients. The Israeli attitude even to the principle of paying compensation has hardened to the disadvantage of the refugees. Its history can be traced in the reports of the Conciliation Commission. By letter dated the 7th July, 1953, the Israel authorities informed the Commission that "the Government of Israel has on repeated occasions affirmed its policy in regard to payment of compensation for abandoned Arab lands in Israel, and is prepared, as indicated on those occasions to discuss the question in practical terms. The Government's declared policy on this question is not affected by any internal arrangements which might be made for dealing with the problems according to the laws of Israel".

12. This evoked an inquiry from the Commission on the 29th July, 1953, on the following four points :-

- (a) Has the disposal of property belonging to Arab refugees now residing outside the borders of Israel been authorized by the Government of Israel?

RESTRICTED.



- (b) If so under what conditions is this disposal to be carried out and to what extent, if any, has it already been put into effect?
- (c) If such property has been disposed of is the money realised being held in the name of the original owner to be paid by him at some future date as compensation for the loss of his property if he chooses not to return?
- (d) Have the necessary measures been taken to ensure the restitution of their property to such refugees as might be repatriated?

It appears from the formulation of these questions that the Commission at all events thought that the payment of compensation to individual recipients was a possibility, and it would similarly appear from the replies of the Israel Government that it, for its part, had yet not reached the stage of excluding the possibility of individual payments.

13. The replies of the Israel Government were conveyed by a letter to the Commission from Ambassador Eban on the 9th October, 1953, as follows :-

- (a) the disposal of property had been authorised by the Government of Israel and effected in accordance with the provisions of the Absentees' Property Law 5710-1950;
- (b) under the above law this property became invested in the Custodian of Absentees' Property and had been transferred to the Development Authority which was set up under the terms of the Development Authority Law 5710-1950;
- (c) funds realised in consideration for the property were treated in accordance with the provisions of Section 4(d) of the Absentees' Property Law and the counter-value was credited to the property for which it had been received;
- (d) the policy of the Government of Israel was to ensure the integration of those refugees who were legally authorised to enter Israel.

The letter concluded by stating that the Government of Israel was "actively engaged in preparatory work in implementation of its declared policy to offer compensation for abandoned Arab lands in Israel" and that, once the work was completed, it would be prepared to state its views on the subject in concrete terms (A/2629 page 10). Whether the counter-value still remains credited to the properties in Israeli records is obscure, nor does the "preparatory work in implementation of its declared policy" seem to have had any light shed on it subsequently.

14. The position as stated in the above letter was confirmed as the basis on which the matter was being handled by the Government of Israel (A/2897 page 2) by a letter dated the 1st August, 1954, which had also stated that Israel would make its views and findings available at the earliest convenient opportunity. This has never been done, as will subsequently appear.



15. In view of the progress of its identification programme, the Commission in February 1956, informed the Israel Ministry of Foreign Affairs that it was particularly anxious to learn the nature and extent of the Government of Israel's preparatory work above referred to, and inquired whether this preparatory work included measures for the restitution to the refugee owners of rents or other income from their property which had accrued since the property was taken over by the Custodian, and if so what these measures were.

16. The reply of the Government of Israel to this inquiry is contained in a letter dated 11th March, 1956, signed by Mr. H. A. Cidor, the then Director of the Division for International Organisations of the Ministry of Foreign Affairs (A/3199 Annex A), which expressed a new Israeli attitude, which has been maintained ever since. No attempt was made to disguise the switch in policy. The conclusion reached by the letter is that "no practical purpose would be served if, under the present circumstances, the Government of Israel were to come forward with a programme for compensation or if it went into other related details before the conditions are fulfilled under which such plans could come to fruition", adding that when the Arab Governments agreed to reverse their present policy of blockade Israel would be ready to make known its detailed plans for compensation.

17. In view of its importance as the continuing authoritative statement of the position, Mr. Cidor's letter should be considered in detail. The broad statement that the Arab states cannot expect compensation to be paid while they are still trying to strangle Israel economically has been made so often that it is apt to appear axiomatic and wholly reasonable, but I feel that the present Israel position set out above is open to many of the actual moral objections with which Israel reproaches its enemies, as well as others.

18. For instance, Israel has been very self-righteous in claiming that the Arab states are treating the refugees as political pawns, and are using them for the purpose of exerting political leverage. Is not this however precisely what Israel is doing by linking the question of compensation to general Arab-Israel relations and explicitly holding up not only a solution but even consideration of this question in an endeavour to get the Arab states to change their policies? To put the matter in another way, Israel is making the individual dispossessed owner the scapegoat for the attitudes of the Arab Governments. The "general context of Arab-Israel relations" has nothing whatsoever to do with the fact that a series of individual Arabs have lost their properties and not received rents and profits of them ever since.

19. Again, the letter states "the Government of Israel has shouldered the burden of alleviating the position of Arab refugees in releasing bank accounts and deposits to the value of well over \$500,000,000" and speaks of the corresponding "transfer of hard currency". On this the comment may be made that the said accounts and deposits, hard currency or not, never did belong to Israel, and their restitution to their owners was mere justice.

20. Similarly, the note quotes a statement of Mr.



RESTRICTED.

TEL AVIV.

6.

Eban before the ad hoc Political Committee of the General Assembly on the 18th November, 1955, as follows: "The acceptance of such a burden (payment of compensation for abandoned lands) at any one time would involve our population in a commitment beyond its powers". This however entirely disregards the fact that Israel has actually got the land, of which some has been sold so that in some cases the Israel economy has enjoyed both the land and its proceeds. In any event, it has been taken into the economy of the State of Israel, and whether due payment for it is a commitment beyond its powers, Israel has had something for nothing, and the original owners, of whose title, it should never be forgotten there was never any doubt, are still deprived and uncompensated.

21. Finally, it should be pointed out that, when it comes to receiving rather than giving, Israel has accepted the principle of individual payments as opposed to inter-governmental group restitution. Tens, if not hundreds, of thousands of individual Israelis are receiving from Germany, pensions, restitution payments and other payments of a like nature in compensation of individual claims for capital property, for income, for the value of the positions and offices of which they were deprived in Nazi days and the like - all in addition to the inter-governmental restitution agreements.

22. As Dr. Eytan has said, the refugees constitute "the gravest political liability with which Israel has had to contend in the first decade of her existence". It is therefore only natural that Israel should exert itself to the utmost in trying to secure the acceptance of its case as reasonable. Attention to the Palestine refugee problem in the United Nations is at a low ebb at the present juncture, where it may well remain until the future of UNWRA falls to be decided. Meanwhile, the world is getting used not only to the Arab case but also to the Israel case that naturally Israel can do nothing for the refugees until the Arab states change their tune. It is in order to counteract the insidious effects of time and repetition that I have thought it worth while to direct attention first, to the development of the Israeli attitude, secondly to the issues of group as opposed to individual compensation and the linking to political attitudes of compensation for property had and received, and thirdly the status of the compilation of information on which the calculation of compensation must ultimately be based. As a touchstone of the earnest of Israeli intentions, I have referred in passing to their behaviour over settlement of payment for the Templar properties.

I have the honour to be,

Sir,

Your Obedient Servant,

(Sgd) B. C. Ballard

(B. C. Ballard)  
Minister.

RESTRICTED.



SDP

## INWARD CABLEGRAM.

Dated: 28th October, 1958.  
2300Rec'd: 29th October, 1958.  
1037

FROM:

(Via Leased Channel)

Australian Mission to the United Nations,  
NEW YORK.NY. 1174. UNCLASSIFIED.

Repeated Washington for information.

U.N.W.R.A.

At Pledging Conference this morning, Carver Acting Director, said 1959 budget was for 37.5 million dollars (about 4 million less than 1958). 33.5 Million dollars was needed to maintain current operations (food, health, shelter and education). 4 Million dollars was needed for those rehabilitation activities which U.N.W.R.A. had been able to re-start in 1958 but 1.5 million not spent for technical reasons in 1958 would be available in 1959, thus reducing 4. million required to 2.5 million. Total new contributions needed for 1959 budget would therefore be 36 million dollars. Budget would need reviewing if in light of Advisory Committee's comments on annual report the Assembly decided to extend U.N.W.R.A. to 300,000 dollars outside Agency's mandate. Agency's reserves were in unhappy state and 6.5 million dollars were needed to constitute working capital when contributions were delayed.

2. Thirty countries pledged 27.5 million dollars of which United States pledged 18 millions for Relief and 5 million for Rehabilitation. Additional United States contribution of 3.75 million dollars would be held in reserve for resettlement or rehabilitation activities begun before 30th June 1959. The United States repeated its offer last year of 300,000 dollars for carrying out plans for transfer of Agency's administrative functions to host Governments.

3. It is expected that a number of countries will announce contributions later.

4. Australian statement announcing contribution of 190,000 dollars referred to need to spread financial burden as widely as possible among Member States and for regular contributions.

5. United Kingdom pledged 2.7 million dollars for first six months of 1959. Contribution would also be made for last six months.

MIN. & DEPT. E.A.  
TREASURY  
P.M.'s.

29th October, 1958.

SEC	A/Ss	LA	UN@	ER	PAC&AM	AM&SP	S&SEA	SA
E.AF&ME	E		AF&ME	INF	C&P			

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper The Times

File No. 181/4/16 ME

Published at London

Date 24. 10. 58.

**ARAB REFUGEES' LOT**

**U.N.R.W.A. RECORDS SLIGHT  
IMPROVEMENT**

FROM OUR UNITED NATIONS CORRESPONDENT  
NEW YORK, Oct. 23

A slight improvement in the conditions under which some 964,000 Arab refugees live (one-third of them in camps) in the four Middle East countries which have sheltered them since they left Palestine 10 years ago, is recorded in the latest report of the director of the United Nations Relief and Works Agency for the year that ended in June. The report notes that the financial crisis with which the agency was faced in the middle of 1957 has been met and temporarily overcome.

In an annex to the report an account is given of the serious difficulties under which U.N.R.W.A. labours "as a result of the apparent unwillingness of the Egyptian authorities to recognize the status of the agency as a subsidiary organ of the United Nations, or to accord to it the privileges and immunities which flow from that status, and which are necessary for the fulfilment of its duties."

The list of contributing Governments contained in another annex makes it plain that, while the United States and Britain continue to be the biggest financial supporters, not a cent has ever been given by any of the Communist countries, and only a nominal contribution in kind by the United Arab Republic.



Name of Paper

*The Times*

File No.

*181/4/4 ME.*

Published at

*London*

Date

*22. 8. 58.*

## PALESTINE REFUGEE VICTIMS OF ARAB POLITICS

### SURVIVAL IN CAMPS WITHOUT A FUTURE

From Our Special Correspondent

AMMAN, AUG. 21

A visit to a Palestinian refugee camp in these days when the United Nations General Assembly is again discussing the Middle East is a chilling experience. Squalor, hopelessness, and resentment have been the lot of over a million Arab men, women, and children for the past 10 years—or since they were born, for about one in every four of the refugees was born in these camps. Most of them look like remaining there for another decade and more, unless, indeed, Israel were crushed and a second dispersion took place.

After so long, nobody really believes that any other kind of solution is possible. The Johnston plan, the Eisenhower plan, any plan for a reasonable settlement means nothing. What is a humanitarian problem for the western reader is for the Arab Governments a burning political issue both of internal and of foreign policy—so said the last annual report of the United Nations Relief and Works Agency. In other words, the Arab leaders, with honourable exceptions, are determined to perpetuate this mass misery for political purposes.

#### NOT A SINGLE KOPEK

At the last count there were 1,037,821 refugees, and more than half of them were in Jordan. The United Nations agency has done extremely well by them on its grossly inadequate budget, which amounts to about 6d. a day for each refugee. This has to cover food, blankets, fuel, shelter, clothing, health care, and welfare, as well as administrative and transport costs. There are few international inefficiencies here. The trouble is that the Soviet Union and other well-known defenders of the Arab working man do not donate a single kopek. The Arab countries, though united in brotherhood and eager to right the wrongs done to the Arabs, provide less than 2 per cent. of these costs. Jordan has tried harder than most, but the survival of more than a million Arabs depends mainly on "imperialist" charity.

Most of the camps to-day are very different from the hastily assembled refugees that your Correspondent saw here 10 years ago. The New Amman Camp is like a satellite city in that its facilities are generally at least as good as can be found in Palestinian villages or the back streets of Amman. There are two well-built schools, with playing field, a medical unit, including a resident doctor and a dispensary, and a welfare centre providing extra food for expectant mothers and children and nutritional sufferers. There is a paved street, and a sufficiency of water points and latrines. The one-roomed houses have concrete floors and courtyards. Here no one dies unnecessarily and indeed life flourishes, for this community of 10,000 souls produces 45 babies a month, and they receive better attention from the camp authorities than the vast majority of African and Asian children receive. Kitchens where special food is prepared for them are spotless, and there seem to be adequate supplies of fruit and vitamin tablets. The mothers obviously have confidence in the child welfare clinic.

#### A FEW FORTUNATES

The survival of the refugees is thus assured, but mostly it is for a purposeless life. It would be unfair to say that the men are lazy. Soon after dawn every working day they stream down the hill to the market place by the big mosque and wait to be hired. Perhaps one in 10 finds work, and for a day's labouring he gets 5s. or 6s. A few fortunates win scholarships or find permanent employment, but they do not always escape. Some, like the doctor of the New Amman Camp, return to work

among their own people. Others, like a youngster in this camp, rebel and are caught.

This particular lad was obviously the pride of the welfare workers; he joined the boy scouts, and achieved a clerk's stool in the Ministry of Health; but the police found enough explosives under the floor of his hut to blow up much of official Amman. There can be no official admission of the desperation that drives such people to violence; but, obviously, the defeat of Israel will never be allowed and, it is almost equally certain, the present Arab leadership will never accept the inevitable.

In Jordan, where a sense of humanity is apparent, no expert believes that gainful settlement for nearly 600,000 refugees is possible. Only one other solution is spoken of, and that is designed only to relieve the United Nations in the dim future of its responsibility. It is based on the ruling that no children born after 1951 can draw rations. Eventually the first generation of the refugees will die, and the camps will be populated with people born after 1951. Their plight may well be equally desperate, but technically they will not be refugees and technically the Palestine refugee problem will be solved. This may sound fantastic, but at the moment it looks extremely likely.





DEPARTMENT OF  
EXTERNAL AFFAIRS  
12 AUG 1958  
181/44  
CANBERRA  
AUSTRALIAN LEGATION,  
TEL AVIV.

In reply quote No. 202.8.1.  
230.5.  
Memo. 390/58.

5th August, 1958.

The Secretary,  
Department of External Affairs,  
CANBERRA.

A. C. T.

ISRAELI ARABS - LAND COMPENSATION.  
My memorandum 314 of the 24th July, 1957.

On the 30th July, 1958, the Finance Committee of the Knesset submitted a report giving an indication of future Government policy and activity in respect of Arab "absentee" landowners. It will be remembered that the Absentees' Property law defines an absentee as, inter alia, "a Palestine citizen who lets his ordinary place of residence in Palestine for a place outside Palestine before the 1st September, 1948, or for a place in Palestine held at the time by forces which sought to prevent the establishment of the State of Israel or which fought against it after its establishment". This provision - which does not in terms affect Arabs, in fact applies largely to them, or to such of them as happened to be at the wrong place at the crucial date.

2. The Minister of Finance is to appoint a number of District Public Committees to advise the Development Authority on the fixing of fair compensation for "abandoned property" acquired by the Authority.

3. The District Committees, which will consist of Jewish and Arab members, are to value land which was acquired by the Authority while its owner was in Arab-controlled territory during the Arab-Israel war.

4. Values are to be determined at current prices instead of at the value of 1950 which has been hitherto applied. It is a fact that some adjustment in respect of the increase of values since 1950 has been applied in some compensation matters, but it is a great advance to have this now definitely provided by law. The Minister of Finance has stated that general directives are in the course of preparation to govern the calculation of such compensation as will be payable in the light of the findings of the above-mentioned Committees. When drafted, these directives will be submitted to the Finance Committee of the Knesset and it will be determined whether special legislation will be necessary to implement them.

5. In cases where "absentee claimants" are now actually living in Israel and are to be compensated in land rather than in money, the Government is intending to finance such improvements as are found necessary to bring the land into a productive state. A representative of the Treasury informed the Finance Committee that the Development Authority would try wherever possible to give a person entitled to compensation the identical which had previously belonged to him, provided that this does not conflict with development or settlement plans.

*M.E. Section*  
*ARB 13/8/58*

*CHM 11/7/58*  
*18/8/58*

*R.R.*



6. At a press conference on the 30th July, held by the Director-General of the Ministry of Finance, and by the Adviser on Arab Affairs in the Prime Minister's Office, some details of the Government's rehabilitation plan were given. The sum of IL.8m. has been allocated for the construction of dwellings in Arab villages and IL.2.5m. for financial aid for villagers. These funds are to be administered by the grant of 30-year loans of IL.3,000 at 5.5% interest for the construction of dwellings, with additional loans of IL.2,500 for agriculture at a rate of 6% for 15 years.

*B. C. Ballard*

(B. C. Ballard)  
Minister.



In reply quote No. 230/15



DEPARTMENT OF EXTERNAL AFFAIRS  
Memo No. E.A. 355/58

20 MAY 1958  
181/4/4

CANBERRA

OFFICE OF THE  
HIGH COMMISSIONER FOR THE  
COMMONWEALTH OF AUSTRALIA,  
OTTAWA.

CONFIDENTIAL

8th May, 1958.

The Secretary,  
Department of External Affairs,  
Canberra, A.C.T.

MIDDLE EAST DEVELOPMENT FUND

We have discussed Mr. Hammarskjöld's proposals for a Middle East Development Fund with members of the Department of External Affairs who, generally speaking, regard it as the most promising proposal of this kind so far put forward in an attempt to bring about some stability in the area. In fact they are mildly enthusiastic about it.

2. Campbell, Head of the Middle East Division, considers that the very difficulties mentioned in your memorandum No. 65 (file 181/4/4) are the factors which prompted Mr. Hammarskjöld to put forward his proposal, and that there is a more than reasonable chance of the Fund being established and of succeeding. He noted that the scheme has been approved by the Middle East countries with whom it was discussed, with the exception of Nuri e-Said who had opposed it, presumably in the opinion of the Canadians, because he had been told to do so by the U.K. In Campbell's opinion, the U.K. was continually watering down any proposals aimed at "unifying" the Middle East because of her own interests in the area. He thought that this was a short-sighted view and that, in the long term, such a policy would worsen their position to such an extent that, in the end, they would lose all. Such opinions are shared by other officers in the Department of External Affairs.

3. Mr. Hammarskjöld has spoken to Mr. Smith about the scheme and although the latter indicated some approval of it, neither he nor the government have given the matter any study. Nothing new has been heard about the matter.

4. Copies of this memorandum have been sent to the Australian Embassy, Washington, and Senior External Affairs Officer, London.

*F.T. Homer*  
(F.T. Homer),  
First Secretary.

CONFIDENTIAL



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

CM

I.6946

Dated: 1st May, 1958.  
1700

Rec'd: 2nd May, 1958.  
1648

(Transmitted via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK.

NY281. UNCLASSIFIED.

The Secretary General announced today that Labouisse, Director of U.N.W.R.A., has resigned from his post and will be leaving the Agency in June. The Secretary General paid special tribute to him today at his press conference and stated he was not yet in a position to announce the name of successor.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION.  
P.M.'S

3rd May, 1958.

SEC A/Ss LA UN ER PAC&AM S&SEA SA E.A.F&ME E AF&ME  
INF DL C&P



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS  
**CONFIDENTIAL**  
**INWARD SAVINGRAM.**

MMC:SS

I. 6477/8.

Dated: 22nd April, 1958

FROM:

Rec'd: 25th April, 1958

Australian Embassy,  
WASHINGTON.

(Via leased channel).

SAV.346. CONFIDENTIAL.

Repeated to Australian Mission to the United Nations, New York Misc.23, information copy to London (for External).

U.N.R.W.A. - Palestine Refugees.

Your Savings 17.

Following from Roberts (N.E. Economic Affairs) on 22nd April.

2. U.N.R.W.A. financial position had eased considerably since foreign report Article was published (9th January). Labouisse at 25th February meeting of U.N.R.W.A. Advisory Committee had said that with funds already available or committed, and on assumption that regular contributors would continue their support on same scale as in past in second half of 1958, U.N.R.W.A. would have sufficient funds to meet requirements of first priority programmes, viz. shelter, health and basic education during remainder of 1958. However, U.N.R.W.A. would not be able to undertake any second priority programmes, viz teacher training, resettlement, etc.

3. Contributions to U.N.R.W.A. since January included:-

- (a) Additional \$1.5 million of wheat flour from Canada above its normal \$500 thousand contribution:
- (b) France had paid \$492 thousand to cover its 1953 pledge for rehabilitation and pledged another \$142 thousand for this year:
- (c) Subject to Parliamentary approval West Germany would provide \$375 thousand (\$200 thousand for relief and \$175 thousand for rehabilitation):
- (d) Italy had made three payments of 25 million Lira, representing back payments to 1956:
- (e) Netherlands hoped to increase its contribution by substantial amount:
- (f) Scandinavian countries were also expected to increase their contributions:
- (g) Switzerland would increase its contribution from

**CONFIDENTIAL**

/2.....



INWARD SAVING ~~CONFIDENTIAL~~

2.

I. 6477/8

£29 thousand to £70 thousand:

(h) Spain was providing £25 thousand (in unconvertible currency):

(i) Monaco had contributed £3,281.

4. Following its 70 - 30 matching formula United States was in process of making additional payment of £3.825 million for relief subsequent on Canadian gift of wheat. Including this payment United States had paid up £16.644 million of its total pledge of £18 million for relief, and £3.694 million against its pledge of £5 million for rehabilitation for fiscal year 1958. State Department was hoping for authorization from Congress for pledges of similar amounts for relief and rehabilitation for fiscal year 1959 beginning 1st July, 1958.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY.

25th April, 1958.

SEC A/Ss LA UNO ER PACMM AMASP S&SEA SA EAF&ME  
E AF&ME INF DL MT CAP

TEL AVIV.

CONFIDENTIAL



COPY

OF LETTER FROM  
AUSTRALIAN MISSION TO UNITED NATIONS  
4510 EMPIRE STATE BUILDING, NEW YORK 1, N. Y.

181/4/4

File No. 210/1/3

17th April, 1958.

Memorandum No. 387/58

The Secretary,  
Department of External Affairs,  
Canberra, A.C.T.

Conversation with Mr. H. R. Labouisse  
Director of UNRWA

Mr. Labouisse is visiting New York at the present time and I took the opportunity to talk to him on the present position of the Palestine refugees.

Budget

2. He said that the budgetary position for this year was sound on the assumption that contributions for the second half of 1958 would follow the usual pattern.

Present Position in Host Countries

3. The best position was that in Syria, where the Government handles everything here and co-operates very fully, and many refugees have been absorbed into normal life. However, the Syrian position could change if there should be anything in the rumour that Nasser intends to move large number of Egyptian settlers to Syria.

4. The position in Lebanon was very bad, principally because of Government opposition to anything in the nature of permanent acceptance of the refugees. The refugees were 90% Muslim and full acceptance by Lebanon would result in upsetting the 50/50 balance in their political situation.

5. The situation in Jordan is poor, largely because of Government antipathy and inefficiency and partly because the economy is inadequate to cope with the large number of refugees which represent more than one-third of the total population.

6. The population of Gaza is predominantly supported by UNRWA and there is no prospect of absorption there or in the Negev.

Settlement of Refugees

7. There is a growing tendency, small but significant, for some of the refugees to make arrangements for their own settlement, either in the land of temporary residence or by migrating to other countries, such as Libya. Mr. Labouisse was extremely happy about this development, which was quite spontaneous, and he seemed to think that the example would encourage a great deal more of it. Unfortunately, it would not be wise to apply any external stimulus, for example by means of publicity, nor could the West make any plans to assist it. The immediate Arab reaction would be to halt the development on purely political grounds.

8. Under the scheme for financial grants to enable refugees to set themselves up in economic enterprises, approximately 5,000 of them had taken advantage of the opportunity. It was interesting that, in the first year that the grants were available, only two refugees participated in the scheme; but last year, when the programme had to be stopped for want of funds, 3,000 people had taken grants.

Mr. Wilson  
M. East

/Future Prospects



17th April, 1958.

Future Prospects

9. Mr. Labouisse believes that the Palestine refugee problem will be with us in some form for at least 20 years. He feels that in the long term there will have to be concessions on both sides if the problem is to be finally resolved. For example, there was scope for Israel to make some boundary adjustments which could provide for the re-settlement of about 200,000 people, and some groups of refugee craftsmen could be reabsorbed in Israel without making any demand for the agricultural land.

10. Discussing the possible effect of the Jordan/Iraq union, he felt that the large long term economic development of Iraq would in time provide possibilities for absorption of a large number of refugees, not only in industry, but also on land to be opened up by irrigation.

11. He considers it would be politically dangerous at the present stage to launch any major proposals for the liquidation of the problem; and that for the present UNRWA should carry on quietly.

Ambassador

ERW/emc.



CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD SAVINGRAM.

I.3088/9

S.I:CM

Dated: 23rd February, 1958.

Rec'd: 24th February, 1958.

(Transmitted via leased channel)

FROM:

Australian Embassy,  
WASHINGTON

S.IV.163. CONFIDENTIAL

Near East Economic Developments.

1. Following from Shaw (Near East Economic Affairs) on 21st February:

Pella Plan.

2. United States had told Italians when Pella Plan was first put forward that it would not be interested in scheme in which it would in fact be only contributor. Subsequently Italians sought elaboration of United States views and comments on how plan might be made acceptable to United States.

3. Assistant secretaries concerned had yet to discuss the terms of reply with Dulles but Shaw thought that if Western Europeans were willing to put up some money themselves something could be worked out.

Hammarskjöld's Middle East Development Fund.

4. United Nations Secretariat were still working on details of Hammarskjöld's proposed fund. General ideas underlying fund which had been outlined to United States were:-

- (a) Capital of fund should be small.
- (b) Its capital should be raised by equal contributions from Arab States each of whom would have equal voice in operation of fund.
- (c) International Bank should provide fund with technical and other services.
- (d) Main resources of fund would be acquired by international borrowing e.g. from I.B.R.D., United States, oil rich Arab States and any other available source.

5. The United States had not yet been asked to express any official view regarding fund and in fact did not yet have settled view. Some in State Department felt there was risk that Egyptians would take over fund; others felt that as the United States had to get along with the Arab world, funds should be supported. Shaw thought that checks could be provided to guard against Egyptian domination but expected that Egypt would be only country which could provide reasonable number of technicians to staff the fund if and when it was established.

CONFIDENTIAL



CONFIDENTIAL  
DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD SAVINGRAM.**

-2-

I.3088/9

6. Shaw commented that the United Kingdom appeared to have modified its initial strong opposition to the fund. He thought that the results of United Kingdom and French financial negotiations with the Egyptians would probably determine the attitudes of these two countries.

7. Dulles and Lloyd were at present exchanging correspondence on fund.

Canal Surcharge.

8. The last word that the State Department had received three weeks ago was that Trevellyan hoped to have plan ready by 1st April. Principle points of the plan as he envisage it at that time would be:-

- (a) Hammarskjöld would request Governments to seek payment of surcharge by their ship owners.
- (b) For convenience the surcharge would be collected in Suez or Port Said.
- (c) The Belgian Bank was being considered as possible collection agent - Hammarskjöld apparently did not want to use the International Bank or set up special United Nations collection agency for this purpose.

9. Shaw said the State Department would be interested to hear of any information we received regarding surcharge.

Anglo-Egyptian Talks.

10. The Anglo-Egyptians talks had been postponed again. Shaw thought United Kingdom might be waiting to see how talks on the Suez Canal compensation would progress. (State Department had no information about how the latter negotiations were progressing except that initial meeting had been held.)

-----  
MIN. & DEPT. E.A.  
MIN. & DEPT. DEFENCE  
MIN. & DEPT. TRADE (C-M)  
TREASURER & TREASURY

24th February, 1958.

SEC A/Ss LA UN TA ER CR PAC&AM AM&SP S&SEA SA  
E.A.F&ME E AF&ME INF DL MT C&P  
G  
TEL AVIV WELLINGTON OTTAWA

CONFIDENTIAL



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS  
**OUTWARD CABLEGRAM.** **CONFIDENTIAL**

CM:ABK.

0.2236.

Sent: 17th February, 1958.  
1415.

TO:

\*(Transmitted via leased channel)

Australian Embassy,  
WASHINGTON...230\*

REPEATED:

Australian Mission to the United Nations,  
NEW YORK....60.\*

Australian High Commission,  
OTTAWA....54.\*

REPEATED:

Australian High Commission,  
LONDON...SAV. 15. (WASHINGTON PLEASE PASS)

CONFIDENTIAL.

Middle East Development Fund.

Please protect Beeley as source of information given  
in London savingram 54, repeated Washington 63.

For New York only. See our memorandum 63 (attachment).

For Ottawa only. See our memorandum 63 (attachment).

MIN. & DEPT. E.A. (181/4/4)

17th February, 1958.

SEC A/Ss LA UN PAC&AM AM&SP SASLA SA D.A.P&ML E AP&MB9  
GINT DL MT  
TEL AVIV WELLINGTON.

CONFIDENTIAL



## INWARD CABLEGRAM.

CONFIDENTIAL

181/4/4

KC:SS

I. 2625/26/27

FROM:

Dated: 14th February, 1958  
1745  
Rec'd: 15th February, 1958  
1026

Australian Embassy,  
WASHINGTON

(Via leased channel)

233. CONFIDENTIAL

Addressed External 233. Copies to New York,  
London and Ottawa.

The general situation in the Middle East was discussed today with Rockwell (Director of the Office of Near Eastern Affairs). The following points were mentioned:-

1. Egyptian-Syrian Union.

It was difficult to estimate precise effects of the Union. Rockwell confirmed that the State Department attitude was that whilst the Union could be regarded as a setback to the Communist group in Syria, it represented an effort on the part of two countries hostile to the West to increase their strength. They were bound, however, to encounter many difficulties, and this would limit for the present their capacity to affect adversely the Western position in the Middle East. Nasser's concern had not been to limit the advance of Communist forces in Syria but rather to ensure that the forces threatening his own dominance should be checked.

2. Iraq-Jordan Relationships

Rockwell said that matters had moved a great deal faster in the last few days than they had believed was likely. If, as now seemed quite possible, some form of closer association emerged the State Department was confident that it would not be based on any denunciation by Iraq of the Baghdad Pact. (Denunciation was the only way in which Iraqi membership could be terminated before 1960). He was doubtful, should Jordan or Iraq agree upon a form of closer relationship, whether Egypt or any other Anti-Western Government would be able to use that closer relationship effectively as a further means for undermining the Jordan Government from within Jordan. Egypt for the time being would have plenty of difficulties to resolve in its own sphere.

3. International Political Action

Rockwell considered proposals for international control over the introduction of armaments into the area were impractical at least at the present time. He believed friendly Arab Governments did not want to have any limitation on their ability to receive arms. He also believed personally that it was undesirable that any discussion on Middle Eastern problems should take place at a Summit Meeting. He pointed out that the suggestion had come from the Soviet only.

4. International Economic Aid.

CONFIDENTIAL

/2.....



## INWARD CABLEGRAM.

CONFIDENTIAL

2.

I. 2625/26/27

Rockwell was not optimistic that various schemes for international economic aid in the area such as the Pella Plan would prove feasible. The Pella Plan was based on the usual assumption that the United States would carry a very large share of the financial burden. If it were based on equitable "matching" principles it might have more chance. Regarding the Secretary-General's tentative proposal that a Middle Eastern Development Fund be established from contributions by Arab countries he said there seemed no grounds for believing that the Arab Governments would contribute.

5.

Palestine Refugees

Although it could not be publicly stated a closer relationship between Iraq and Jordan could help in some measure towards relieving the refugee problem (although the Iraqi Government would find it difficult to convince its own people that it was desirable to settle refugees within the extensive uncultivated areas of Iraq). Special assistance would be needed for the Iraqi Government if such a project developed into a real possibility. Bilateral arrangements with specific Governments, in fact, seemed to be the only course that could be followed after the refugee organisation came to an end in 1960. The United States was presently determined that there should be no extension of the refugee organisations life beyond 1960.

MIN & DEPT EA (852/9/15)  
P.M.'s

16th February, 1958

CONFIDENTIAL



CONFIDENTIAL 181/4/4

AUSTEMBA  
WASHINGTON  
REPEATED NEW YORK  
OTTAWA  
REPEATED SAVING TO LONDON.

CONFIDENTIAL.

Middle East Development Fund.

Please protect Beeley as source of information  
given in London savingram 54, repeated Washington 63.

For New York only. See <sup>our</sup> memo 63 (attachment)

For Ottawa only. See our memo 63 (attachment)

181/4/4  
17th February, 1958.

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

181/4/4  
**CONFIDENTIAL**

I. 2638.

Dated: 15th February, 1958.  
1630.

Rec'd: 16th February, 1958.  
0900

;MP

FROM:

Australian High Commission,  
LONDON.

431. CONFIDENTIAL

Repeated Australian Mission to United Nations, New York 15.  
(please pass to Washington 19.) repeated Saving Ottawa.

From External.

Middle East Development Fund.

Your memorandum 80.

Unless information on Hammarskjöld's thinking is  
available from other sources presume you will ensure Seeley's  
information is protected (my saving 54 para 3.)

MIN.&DEPT E.A.

16th February, 1958.

SEC A/Ss LA UN PAC&AM AM&SP S&SEA SA E.A.F&ME  
E AF&ME INF DL

G

TEL AVIV WELLINGTON.

**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

**CONFIDENTIAL**

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E AF&ME INF DL

G

TEL AVIV WELLINGTON.

**CONFIDENTIAL**



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS  
INWARD CABLEGRAM.

CONFIDENTIAL

KC:SS

I. 2625/26/27

Dated: 14th February, 1958

FROM:

1745

Rec'd: 15th February, 1958

1026

Australian Embassy,  
WASHINGTON

(Via leased channel)

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1. Egyptian-Syrian Union.

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4. International Economic Aid.

CONFIDENTIAL

/2.....



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

**CONFIDENTIAL**

2.

I. 2625/26/27

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MIN & DEPT EA (852/9/15)  
P.M.'s

16th February, 1958

**CONFIDENTIAL**



CONFIDENTIAL

98.  
181/4/4

12th February, 1958.

Senior Australian External  
Affairs Officer,  
LONDON.

PALESTINE REFUGEES  
(Your Savingsgram Ex.83)

It is satisfactory to learn that the position of U.N.W.R.A. is better than was thought at the time of the article in the Economist Foreign Report of 9th January.

2. The Australian contribution to U.N.W.R.A. was increased for the financial year ending 30th June, 1958 by some £88,000 to the equivalent of \$200,000. There is no present intention further to increase the Australian subscription.

(A.P. BENJUF)  
For the Secretary

108      78      24  
Copy to Washington, New York and Tel Aviv.

CONFIDENTIAL



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD SAVINGRAM.**

**CONFIDENTIAL**

:::HF

I.2309

Dated: 3rd February, 1958.

FROM:

Rec'd: 11th February, 1958.

External Affairs Office,  
L O N D O N.

Saving EX83. CONFIDENTIAL.

Repeated Washington EX93, Australian Mission New  
York EX14, Tel Aviv EX3.

Economist Foreign Report on Palestine Refugees.

Reference your Savingram No.7 of 17th January (received here 29th January). We discussed the article in the Economist Foreign Report of 9th January with the Levant Department in the Foreign Office, who had not previously seen it. Our informants said that since the article had been written, the Canadians had announced that they would make a further contribution to U.N.W.R.A. of 1.5 million dollars, and that this contribution would be made in the form of flour. Together with the United States matching pledge, the further Canadian contribution would be just enough to ward off the serious consequences which the article predicts. Unless, however, contributions next year to U.N.W.R.A. were on a larger scale than previously, a serious situation could arise, and it was therefore good news that the Secretary-General seemed to be bent on continued efforts to obtain increased contributions. Mr. de Kemonlaria's present tour would also no doubt have a good effect. Our informants implied that if the worst came to the worst the United Kingdom Government would always contribute enough to ensure that the situation was kept in hand, but they were, of course, anxious not to give the impression too obviously lest it deter other countries (particularly West Germany) from making an increased contribution. Our informants asked whether any consideration was being given by you to increasing the Australian contribution.

2. Our informants agreed, on the whole, with the views expressed in the Foreign Report article, except for 7 in the first paragraph. Their impression was that the Egyptians were responsible for maintaining civil order in the Gaza Strip, and they considered that, should disturbances occur there, difficulties would arise not so much from possible Israeli reactions but from Egyptian unwillingness or inability to take firm enough means to keep order.

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Min. & Dept. External Affairs.  
A/" " " Immigration.  
Treasury.

11th February, 1958.

SEC A/Ss LA UN@ ER PAC&AM AM&SP S&SEA SA EAF&ME E  
AF&ME INF DL MT C&P  
G

**CONFIDENTIAL**



Confidential

~~memo~~ to London, Washington  
repeated New York & Tel Aviv  
Palestine Refugees 181/4/4  
(Yami Savings 6x83)

It is satisfactory to learn  
that the position of UNWRA  
is better than was thought at  
the time of the report article  
in the Economist Foreign Report  
of 9<sup>th</sup> January.

~~But~~ The Australian contribution  
to UNWRA was increased  
for the financial year ending  
30/6/58 by some \$88,000  
to the equivalent of \$200,000.  
~~It is not thought~~ There is no  
present intention further to  
increase the Australian contribution  
A P Rens



## INWARD SAVINGGRAM.

CONFIDENTIAL

S 112000 - 1200000  
::HP  
only 30/6/58

I.2309

Dated: 3rd February, 1958.

FROM:

Rec'd: 11th February, 1958.

External Affairs Office,  
L O N D O N.Saving EX83. CONFIDENTIAL.Repeated Washington EX93, Australian Mission New  
York EX14, Tel Aviv EX3.Economist Foreign Report on Palestine Refugees.

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Min. & Dept. External Affairs.  
A/" " " Immigration.  
Treasury.

11th February, 1958.

SEC A/Ss LA UN@ ER PAC&AM AM&SP S&SEA SA EAF&ME E  
AF&ME INF DL MT C&P  
G

CONFIDENTIAL



TO:

Australian Mission to the United Nations,  
New York. Memo No.....63

Australian Embassy,  
Washington. Memo No.....22

Australian High Commission,  
Ottawa. Memo No.....63

Senior Australian External Affairs  
Officer,  
London. Memo No.....80

181/4/4

5th February, 1958.

MIDDLE EAST DEVELOPMENT FUND  
(London Savings 54 repeated Washington 63)

The following are some preliminary Departmental thoughts on Mr. Hammarskjöld's proposals of a scheme whereby "the Arab countries should cooperate in establishing a joint fund, to which they should all contribute and which would operate as a fund for servicing loans obtained from abroad for developmental purposes."

2. It is not a completely original idea although previous schemes were less far-reaching. In October, 1957, the Iraq Finance Minister suggested an inter-Arab development scheme by which revenues of oil producing countries be paid into a fund from which much-needed capital could be made available, on a purely commercial basis. Similarly, at the Arab oil conference in Baghdad in November, 1957, a development fund to which outside agencies might eventually contribute was suggested.

3. There are a number of matters in the Secretary-General's proposals which need clarification before serious comment can be made on them:

- (a) the servicing fund, to be raised by the Arabs themselves, is presumably to pay interest on loans, as well as to appoint a committee to vet the various development schemes put up. How much could Jordan or even Egypt contribute to such a fund?
- (b) Are loan funds to be made available to the Committee to allocate to selected projects? Does this mean that the lender has no control over the project to which its loan has been allotted, e.g. would American money be used to finance Egyptian or Syrian plans?
- (c) Following from (b), would there be any advantage in channelling Russian loans to Arab countries through the Committee?
- (d) What interest rate would be charged on loans?
- (e) Technically, the Johnston Plan is desirable for Middle East development, but without Arab-Israel agreement, it is politically impossible. Since no mention of Israel is made, these technically sound projects for the use of Jordan water cannot be considered.

CONFIDENTIAL



CONFIDENTIAL

2.

4. Apart from these lacunae, the scheme seems to be good in principle. At the same time, there are a number of divisive forces in the Middle East which tend to prevent any form of unified action in the Middle East. These are:

- (1) Baghdad Pact countries - Egypt, Syria.
- (2) Middle East countries having oil and those without it.
- (3) Countries having close ties with the Soviet Union and countries having ties with the West.
- (4) Relics of the Saudi-Nasrinite dynastic feud.
- (5) Local fears and jealousies, e.g. Kuwait and Saudi Arabia.

In the light of these divisions, it seems necessary to consider the following points in relation to Mr. Hammarskjöld's scheme:-

- (a) Would some agreed projects be unwelcome to Western lenders, e.g. if Egypt or Syria dominated the fund representatives?
- (b) How willing are Middle East countries to dissipate the refugee problem? This is one of their main methods of keeping hostility to Israel at a high level.
- (c) How willing are the richer Middle East countries to contribute to the have-nots? Although relatively better off, they have many problems of their own. Iran, despite numerous protestations of intention, has contributed very little to aid Jordan.
- (d) Would Kuwait be prepared to lend its new wealth to its numerically more powerful neighbours?

5. You might care to use some of these in discussions with Government officials, whose reactions to the plan we should be glad to know.

(A. F. BROWN)  
for the Secretary

CONFIDENTIAL



SECRET

181/4/4

P.I.R.

Mr. Hammarskjöld's Plans for the Middle East

In recent discussions with Mr. Selwyn Lloyd, Mr. Hammarskjöld stressed the seriousness of the divisions between Arab States which prevented their taking any initiatives to solve the Arab-Israel or the refugee problem.

Mr. Hammarskjöld and the Secretariat are working on a scheme under which the Arab countries would co-operate in "setting up a joint fund, to which they would all contribute, and which would operate for servicing loans obtained from abroad for development purposes." The Fund would be controlled by Arab representatives, with a representative of the United Nations/International Bank sitting in on discussions but having no vote.

The Secretary General hoped to obtain loans principally from the United States and West Germany, and possibly from Kuwait, later on oil companies operating in the area. Saudi Arabia and Iraq might be interested. It was important that news of the scheme should not leak before it was put to the Arab countries.

The Foreign Office have some reservations about the scheme on the ground that it might get into the control of Egypt, with possible undesirable results.

a Committee to set the various Arab States  
scheme set up. By what means would  
even Egypt contribute to such a fund?

(b) Are loan funds to be made available to the  
Committee to allocate to various countries?  
Does this mean that the loaner has no  
control over the payment of loans? Has  
been allocated, e.g., would American  
money be used to finance Egyptian or  
Syrian plans?

CONFIDENTIAL

SECRET



Mr. Milton

T Rands for the attached.  
Please dress it up as preliminary  
thoughts (Departmental/upon  
the scheme and pass it by  
memo. to London, Ottawa,  
Washington and N.Y. as an  
background thoughts for use in  
discussions. (can we pass to  
Washington & N.Y. ??)

Mr 4/2

ditto



EXTERNAL AFFAIRS. **CONFIDENTIAL**

File No. ....

Date 4th February, 1958

2058/45.

SUBJECT

MIDDLE EAST DEVELOPMENT FUND

FOR MR. RENOUF

1. Mr. Hammarskjöld is perturbed by the division between the Arab States which leads to the position that no Arab country is prepared to take the initiative towards -

- (a) a solution of the Arab-Israel problem;
- (b) a solution to the Arab refugee problem.

In seeking to mitigate these evils, he is working on a scheme whereby "the Arab countries should co-operate in establishing a joint fund, to which they should all contribute and which would operate as a fund for servicing loans obtained from abroad for developmental purposes". Control of the fund would be by representatives of the Arab countries, and a representative of the United Nations and International Bank who would have no vote, but in effect would have a veto, as lending countries would be unlikely to lend without his approval.

2. He hoped for loans principally from the United States and W. Germany, and possibly Kuwait, oil companies, Saudi Arabia and Iraq.

3. This is not a completely original idea although previous schemes were less far-reaching.

4. In October, 1957, the Iraq Finance Minister suggested an inter-Arab development scheme by which revenues of oil producing countries be paid into a fund from which much-needed capital could be made available, on a purely commercial basis.

5. Similarly, at the Arab oil conference in Baghdad in November, 1957, a development fund to which outside agencies might eventually contribute was suggested.

6. There are a number of matters in the Secretary-General's proposals which need clarification before serious comment can be made on them :

- (a) the servicing fund, to be raised by the Arabs themselves, is presumably to pay interest on loans, as well as to appoint a committee to vet the various development schemes put up. How much could Jordan or even Egypt contribute to such a fund?
- (b) Are loan funds to be made available to the Committee to allocate to selected projects? Does this mean that the lender has no control over the project to which its loan has been allotted, e.g., would American money be used to finance Egyptian or Syrian plans?

**CONFIDENTIAL**

/(c)



CONFIDENTIAL

2.

- (c) Following from (b), would there be any advantage in channelling Russian loans to Arab countries through the Committee?
- (d) What interest rate would be charged on loans?
- (e) Technically, the Johnston Plan is desirable for Middle East development, but without Arab-Israel agreement, it is politically impossible. Since no mention of Israel is made, these technically sound projects for the use of Jordan water cannot be considered.

7. Apart from these lacunae, the scheme seems to be good in principle. At the same time, there are a number of divisive forces in the Middle East which tend to prevent any form of unified action in the Middle East. These are :

- (1) Baghdad Pact countries - Egypt, Syria.
- (2) Middle East countries having oil and those without it.
- (3) Countries having close ties with the Soviet Union and countries having ties with the West.
- (4) Relics of the Saudi-Hashemite dynasties feud.
- (5) Local fears and jealousies, e.g., Kuwait and Saudi Arabia.

In the light of these divisions, it seems necessary to consider the following points in relation to Mr. Hammarskjöld's scheme:-

- (a) Would some agreed projects be unwelcome to Western lenders, e.g. if Egypt or Syria dominated the fund representatives?
- (b) How willing are Middle East countries to dissipate the refugee problem? This is one of their main methods of keeping hostility to Israel at a high level.
- (c) How willing are the richer Middle East countries to contribute to the have-nots? Although relatively better off, they have many problems of their own. Iraq, despite numerous protestations of intention, has contributed very little to aid Jordan.
- (d) Would Kuwait be prepared to lend its new wealth to its numerically more powerful neighbours?

/Recommendation:

CONFIDENTIAL



CONFIDENTIAL

3.

Recommendation:

8. It is submitted that at the present stage no Australian views on the scheme could be put forward. When more details are known, the strength of the difficulties outlined could be more accurately assessed.

9. It is suggested that a copy of this submission be sent to Ottawa for discussion with the Canadian authorities.

*DW/SCB*

DGW/SCB  
Africa & Mid. East Section

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD SAVINGRAM.**

181/4/4  
**SECRET**

...:SS

I. 1647

FROM:

Dated: 24th January, 1958

Rec'd: 29th January, 1958

External Affairs Office,  
L O N D O N

SAV.EX.54 **SECRET**

Repeated Saving Washington Ex.63.

From External.

Hammaraskjoeld's Views on the Middle East.

Mr. Beeley, Foreign Office, informed me on 23rd January that Mr. Hammaraskjoeld, during his visit to London, had discussed the Middle East with Mr. Selwyn Lloyd. Mr. Hammaraskjoeld regarded the Middle East situation as serious in view of the division among the Arab States, which meant that no Arab country was prepared to take the initiative towards a solution of either the Arab/Israel question or the refugee question.

2. With a view to finding some means of minimising the cold war aspects of Arab relations and producing conditions which might contribute to a solution of the refugee problem, Mr. Hammaraskjoeld was working on an idea which he discussed with Mr. Selwyn Lloyd. The proposal, which was being carefully worked out by the United Nations Secretariat, was in broad terms that the Arab countries should cooperate in establishing a joint fund, to which they should all contribute and which would operate as a fund for servicing loans obtained from abroad for developmental purposes. He envisaged the joint fund being controlled by representatives of each of the Arab countries, with a single representative of the United Nations and the International Bank who would sit in on discussions but would not have a vote. With regard to the representative of United Nations/Bank it was thought that he would in a sense have a practical vote in so far as lending countries would be unlikely to interest themselves in projects if they knew that the representative of the United Nations/Bank was opposed to it. Hammaraskjoeld had in mind that loans might be obtained principally from United States and Germany. However, he also hoped that it might be possible to interest Kuwait in making funds available and possibly a little later on oil companies operating in the Middle East might be prepared to put back into the area by way of loans some of their profits. It might also be possible to persuade Saudi Arabia and Iraq to make loans to other countries.

3. Mr. Hammaraskjoeld had in mind that the plan should be worked out in detail by the Secretariat and then put forward to the Arab countries as a United Nations idea which they could take or leave as they chose. Mr. Hammaraskjoeld was most anxious that knowledge of this proposal should not leak before it was put to the Arab countries. Mr. Beeley mentioned that he had passed on the information only to the Canadians and ourselves and would appreciate a strictly limited circulation of this information.

4. Mr. Beeley said that Mr. Selwyn Lloyd had

**SECRET**

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DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD SAVINGRAM.**  
2.

SECRET

I. 1647

expressed interest in the scheme to Mr. Hammarskjöld but had not felt in a position to comment on it without further study. Mr. Beeley said that Foreign Office had some reservations regarding the scheme in so far as it might get into the control of Egypt and be centred in Egypt, with possible undesirable results.

MIN & DEPT EA

30th January, 1958

SEC A/Ss LA UN PAC&AM AM&SP S&SEA SA EAF&ME  
AF&ME INF DL

G

TEL AVIV WELLINGTON

SECRET



181/4/4

SECRET

OUTWARD TELEGRAM FROM COMMONWEALTH RELATIONS OFFICE

TO: U.K. HIGH COMMISSIONER IN CANADA  
U.K. HIGH COMMISSIONER IN AUSTRALIA  
U.K. HIGH COMMISSIONER IN NEW ZEALAND  
U.K. HIGH COMMISSIONER IN SOUTH AFRICA  
U.K. HIGH COMMISSIONER IN THE FEDERATION OF  
RHODESIA AND NYASALAND.

RFTD: U.K. HIGH COMMISSIONER IN INDIA (ACTING)  
U.K. HIGH COMMISSIONER IN PAKISTAN  
U.K. HIGH COMMISSIONER IN CEYLON  
U.K. HIGH COMMISSIONER IN CHINA  
U.K. HIGH COMMISSIONER IN THE FEDERATION OF MALAYA

(Dated 25th January 1958)

W. No. 47 SAVING SECRET

Repeated U.K. High Commissioners in Delhi, Karachi,  
Colombo, Accra and Kuala Lumpur.

My telegram W. No. 21.

UNITED NATIONS SECRETARY-GENERAL'S VISIT  
TO UNITED KINGDOM

Main purpose of Mr. Hammarskjöld's visit was to discuss informally with us certain tentative suggestions for a "Middle East Economic Development Fund". He has also outlined his ideas to Colonel Nasser and Dr. Fawzi, who had reacted favourably, Mr. Malik of Lebanon and Mr. Ben Gurion. Outside the Middle East, Secretary-General has discussed his ideas on a personal basis with Mr. Dulles, M. Pineau, the World Bank and representatives of Norwegian and Swedish Governments. He has also been in touch with American Oil Companies.

2. In Secretary-General's view, absence of an Economic Commission for the Middle East equipped to undertake examinations of the general problems of the region is a serious drawback from point of view of United Nations and of those Governments interested in economic development in the Middle East. Secretary-General therefore intends on his own initiative to conduct an independent, internal study in the Secretariat of organisation required in Middle East to undertake co-ordinated economic planning etc. The Secretariat would be assisted in this by a few financial experts from outside.

3. Secretary-General envisages that proposed organisation should include all Arab States in Asia (including Persian Gulf), Egypt, Sudan and possibly Libya. Non-Arab States such as Iran would be excluded since their association would also raise problem of Israel's inclusion in it. Organisation might function like a regional branch of the International Bank, but might also have something in common with O.E.E.C. It would arrange for studies to be made of possible schemes for economic development of significance to region as a whole, assess development priorities and negotiate on behalf of region for credits from abroad and from within the region itself. Its direction might be through a board with inter-governmental representation, perhaps at Minister of Finance level, or through a management committee of technical staff. Representatives of the World Bank and of United Nations would serve on the governing body and, in the Secretary-General's view, would be in a strong position to influence it. Although latter representatives would not vote, their endorsement would be necessary in practice before finance was obtained from outside the organisation.

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2.

4. Finance would be provided by lenders inside or outside the region for specific projects sponsored by the organisation. There might be initial subscriptions from member Governments but main source of capital would at first be credits from outside the region. Part of these credits might come from the Oil Companies. At a later stage oil revenues of the member countries might be invested through the organisation.

5. In Secretary-General's view, a scheme on these lines would have following advantages:-

- (a) Before any progress can be made in the Middle East, the dangerous split between the "haves" and "have nots" in the Arab world, whereby the former side with the West, the latter with the Soviet Union, must be narrowed. His scheme would enable Arab States to co-operate positively and not in relation to Israel alone as at present.
- (b) Although Egypt's part in the organisation would be important it would be in her own interest to behave with restraint. If she misused it, she would destroy it.
- (c) It would resolve the present dilemma of the West whereby assistance given to one country in the area alienates another.
- (d) It would minimise risk of Middle Eastern countries turning to Soviet Union for assistance and would help sounder elements, particularly in Syria and Egypt, to avoid Soviet penetration.
- (e) Development in whole area would be co-ordinated and economic benefits considerable. In particular, it could demonstrate that development of Suez Canal was a regional and international concern.
- (f) It could make a contribution towards a solution of Arab refugee problem. Refugees would be absorbed by increased demand for labour in whole area as development got under way.

6. Results of a study along these lines would not be put forward as a formal proposal to Arab Governments. It would be responsibility of those Governments to take it up and make their own proposals to bring it into effect if, in their view, the result of the study was valuable and worth pursuing. No Governments would be committed at this stage. As the Secretariat's preparatory study might take from two to three months it would not be ready for consideration by Arab Governments until April. Secretary-General is anxious to avoid publicity at this stage since this would prejudice the chances of the study being accepted when completed. If his ideas leak he will take line that, with the Assembly's resolution in favour of an Economic Commission for Africa, the Secretariat are studying on their own responsibility the question whether any economic organisation was needed for the Middle East.

7. Our discussions with the Secretary-General have so far been in general terms and no conclusion has been reached. We have told him that -

- (a) in our view, there would be very great political advantages in the establishment of a mechanism which would help towards a settlement of the refugee problem and which would remove our relations with the Arab States from the cold war;

SECRET (b)/





SECRET

.5.

- (b) we therefore share his objectives;
- (c) the main difficulties as we see them are -
  - (i) the political use which the Arab States might make of the organisation,
  - (ii) the area which the organisation would cover, and
  - (iii) the lack of adequate sources of capital;
- (d) His ideas should be discussed with the Iraqis. It was important that the "have" countries should not regard them as Egyptian-inspired. Secretary-General has agreed that the Foreign Secretary should mention them to the Iraqis during the Baghdad Pact meeting in Ankara.

(To Ottawa only)

8. We understand that Secretary-General has also spoken to Canadians. Please inform them of his conversations with us. We should be grateful to know the tenor of the discussions with the Canadians and their reaction.

(To Canberra, Wellington, Pretoria and Salisbury only)

Please inform Commonwealth authorities, emphasising importance of secrecy.

(To Delhi, Karachi, Colombo, Accra and Kuala Lumpur only)

Foregoing is strictly for your own information only.

SECRET



DEPARTMENT OF EXTERNAL AFFAIRS  
**OUTWARD SAVINGRAM.**

**RESTRICTED**

181/4/4

O. 791.

Sent: 17th January, 1958.

1135.

:MP

\* (via leased channel)

TO:

Australian High Commission,  
LONDON.....SAVING 7.

Australian Embassy,  
WASHINGTON.....SAVING 17. \*

REPEATED:

Australian Mission to United Nations,  
NEW YORK.....SAVING 4. \*

Australian Legation,  
TEL AVIV.....SAVING 2.

RESTRICTED.

Appreciate by savingram Foreign Office, State Department  
comments on the article about Palestine refugees in the 9th  
January edition of the Economist's Foreign Report.

MIN.&DEPT E.A.  
MIN.&DEPT IMMIGRATION  
TREASURY

17th January, 1958.

SEC	A/Ss	LA	UNO	ER	PAC&AM	AM&SP	S&SEA	SA
E, AP&ME	E	AP&ME	INF	DL	MT	C&P		

**RESTRICTED**



RESTRICTED

DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

1. 907.

:MP

Dated: 16th January, 1958.  
1820.  
Rec'd: 17th January, 1958.  
0830.

FROM:

Australian Consulate-General,  
GENEVA.

16. RESTRICTED.

Reference my telegram 10.

Far Eastern Operation.

1. In U.N.R.E.F. Executive Committee, there is unanimous agreement that U.N.R.E.F. care and maintenance Bill in Hong Kong could best be kept to a minimum by assisting I.C.E.M. to meet costs of onward transport from Hong Kong.

2. Committee therefore unanimously adopted United States Draft Resolution authorising the High Commissioner to appeal for special contributions for the Far Eastern Operation. The Resolution authorised Lindt to use contributions received for payment of movement costs.

3. The Committee accepted as special case in view of the urgency of the problem, offer of loan of \$ 100,000 from the World Church Services (United States Voluntary Agency).

E.A. (861/8/5/4)  
IMMIGRATION  
TREASURY  
P.M's

17th January, 1958.

181/4/4

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SAVINGRAM

CROTONATE LONDON  
AUSTEMBA WASHINGTON

REPEATED NEW YORK  
TEL AVIV

RESTRICTED

Appreciate by savingram Foreign Office/  
State Department comments on the article about  
Palestine refugees in the 9th January edition of  
the Economist's Foreign Report.

181/4/4

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17/1/58



181/4/4

**INWARD CABLEGRAM**

UNCLASSIFIED

JW.MMc

I.18894

Dated: 12th December 1957

2144

Rec'd: 13th December 1957

1515

(Transmitted via leased channel.)

FROM:

Australian Mission to the United Nations,  
NEW YORK.

NY.2089. UNCLASSIFIED.

Repeated Washington for information.

1. Plenary today adopted unanimously postponement recommendations regarding expansion of Security Council, etc.
2. On U.N.R.W.A. Special Political Committee's resolution adopted 52 - 0 - 19 on pattern similar to Committee vote. Australian statement announcing increased contribution reported separately.
3. On General Committee expansion Burma, Ceylon, Ethiopia, Ghana, India, Liberia, Syria and Thailand introduced amendment proposing addition of following new paragraph 3 to Annex of draft resolution:

"3. At least one of the Vice-Presidents in Categories (a) or (d) above, or the President or one of the chairmen of the Committees will be from a Commonwealth country, without altering the geographical distribution of seats in the General Committee, as defined in paragraphs 1 and 2 of this Annex and operative paragraph 1 of the Resolution."

This was adopted by 59 in favour, none against and 18 abstentions (Belgium, Brazil, China, Cuba, Denmark, Dominican Republic, Finland, France, Honduras, Iran, Ireland, Italy, Luxembourg, Netherlands, Nicaragua, Norway, Philippines, Portugal) and following absentees - Greece, Haiti, Iceland, Morocco and South Africa. (We are investigating reasons for European abstentions on amendment to add Commonwealth representation explicitly and will report separately later.)

4. Following adoption of the above amendment, Special Political Committee's resolution was adopted by 49 - 1 (China) - 27 (Australia, Austria, Belgium, Canada, Dominican Republic, Finland, France, Honduras, Ireland, Israel, Italy, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Philippines, Portugal, Spain, Sweden, Turkey, United Kingdom, United States) and following absentees - Greece, Haiti, Iceland, Morocco, South Africa, Australian statement reported separately.



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

2.

I.18894

5. Resolution on Security Council report  
adopted unanimously.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION.  
TREASURY.  
P.M.'s.

13th December, 1957.

SEC A/Ss LA UNO ER CR PAC&AM AM&SP  
S&SEA SA E.AF&ME E AF&ME INF DL MT C&P

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LONDON GENEVA



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

:ABK.

I.18893.

Dated: 12th December, 1957.

2157.

FROM:

Rec'd: 13th December, 1957.

1500.

Australian Mission to the  
United Nations,  
NEW YORK.

(Transmitted via leased channel)

2090.

. UNCLASSIFIED.

U.N.R.W.A.

Our 2089. Following is summary of statement by leader  
of Australian Delegation in plenary today:

Begins:-

No secret Australian Government like many governments,  
deeply concerned troubled situation Middle East. As Prime Min-  
ister of Australia and other leading Australian spokesmen have  
pointed out, we regard the Palestine refugee problem as the  
central one in search for solution Israel-Arab States. Australian  
delegation disturbed by debate special political committee.  
Unfortunately appear no nearer solution than we were at outset  
session. Have had expression of strong and unduly rigid  
positions both sides. At same time Director U.N.R.W.A. and some  
leading contributors have appealed eloquently for financial assistance.  
Australian government hopes time shortly come when some progress  
possible towards eradication this problem. Meanwhile Australia  
concerned that human situation of refugees should not worsen.  
Therefore Australian government has given careful consideration  
appeal of Labouisse 4th October and his two statements in special  
political committee as well as Secretary-General's letter 6th  
November. As result happy announce additional Australian con-  
tribution as in your 982 which amounts to percentage increase of over  
75 per cent, available within the current Australian fiscal year.

"Like refer also operative paragraph 2 special  
political committee's resolution. Australian Government welcomes  
arrangement contemplated therein by which Secretary-General  
requested make special efforts secure financial assistance.  
Australian increase announced today should be regarded as Australia's  
response to appeals addressed to us and as within framework new  
arrangements contained operative paragraph 2 of the resolution.  
Following statements made in this connection would like mention  
Australia's understanding that Secretary-General's special  
efforts will be in terms increasing voluntary contributions such as  
Australia announced today.

"Australia supports draft resolution, hopes its  
adoption may do something towards improving conditions both  
practically and in terms of political solution of problems involved.

"Australian delegation expresses appreciation  
Labouisse and staff and wishes him all possible success in his  
important work".

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
TREASURY.  
P.M.'S.

13th December, 1957.

SEC A/Ss LA UN@ ER CR PAC&M AM&SP S&SEA SA E.A.F&ME E.A.F&ME INF C&P.  
LONDON GENEVA



and take over the revolutionary government themselves in order to "de-Peronise" the country. Well-informed politicians in Buenos Aires maintain that the *Unión Popular* was, in fact, formed with the support of extremists inside the provisional government with this Machiavellian project in mind.

### ME Cut-Price Crisis for Palestine?

For want of a sum slightly less than £1 million, a virtually guaranteed explosion in the Middle East can be anticipated this year. That is the sober prophecy of a number of well-placed observers. The chain of events they foretell is grimly logical:

1. The UN member governments have failed to provide, or even promise, the bare minimum of funds needed to continue the Palestine Arab refugee programme.
2. The programme, already cut down to the bone, will have to be slashed even more drastically from midsummer onwards.
3. The first portents of these cuts will probably heighten tension in the always restive refugee camps within a matter of weeks.
4. When the full impact of the cuts is felt, the situation should remain manageable, though difficult, in Lebanon and Syria, but it will get out of hand in Jordan and the Gaza strip.
5. In Jordan the anger and distress of the 500,000 refugees who represent one-third of the whole population will: (a) tip the balance sharply against King Hussein's government, possibly against the continued existence of the state itself; and (b) set off a new wave of conflict along the Israel border.
6. In the Gaza strip, with its 220,000 refugees, there are still no Egyptian army units. The 6,000-man UN Emergency Force: (a) could not easily suppress large-scale disorders even if it tried to; and (b) would not be permitted to, either by its orders or by the governments that have contributed contingents.
7. If, on the heels of a resurgence of border raiding, Egypt sent troops to the strip to restore order there, Israel would react sharply, and the stage would be set for another major conflict.

If this sad sequence unfolds, the UN member states will—ironically—have taken away with one hand what they had just given with the other; for, in effect, during the Assembly that ended on December 14th they agreed:

1. To maintain the Emergency Force (Unef) and strengthen its position.
2. To create, by default, a situation which Unef will be unable to handle, and which could easily undo all its work.

A.—*The Force*. One of the Assembly's more constructive decisions, taken on Friday, December 13th, gave Unef a surer financial basis. It is no longer to depend on random donations, but will have a regular budget. Member states will be required

Cont Page  
7.



## Shoals Ahead in Buenos Aires

With six weeks to go before the elections, President Aramburu's plan for returning Argentina to constitutional government could still be disrupted. Two things could happen: (a) the "neo-Peronist" coalition party, the *Unión Popular*, might win the elections; or (b) extremists backing the government might stage a coup in order to keep themselves in power. Both eventualities sound improbable; neither, in Argentina, can be dismissed out of hand.

A.—A neo-Peronist victory would only be possible if the *Unión Popular* secures the votes of all the former supporters of General Perón. This appears unlikely (see FOREIGN REPORT of November 28th, 1957). But General Perón is now holding a series of meetings in Caracas to decide what instructions to give his followers. He has been joined by Señor John William Cooke, his second-in-command (who lives in Chile) and by several other notable exiles. Opinion at these meetings is said to be split between those who favour the blank vote (which was the policy in the July constituent assembly elections) and those favouring support for a neo-Peronist party.

General Perón thinks of the two leaders of the *Unión Popular*, Señor Leloir and Dr. Bramuglia, much more as his rivals than as his supporters. But if he should instruct the faithful in Argentina to vote for them, their coalition party should attract most of the 2.2 million voters who returned blank papers in July. This: (a) might give them the elections; and (b) in turn would certainly lead to revolt by the armed services. Argentina would thus be faced with civil war.

### PRETEXT TO STAY IN?

B.—Government opposition. The possibility, however remote, of a neo-Peronist victory might be used by some of President Aramburu's colleagues as a pretext for staying on in power. The supporters of the provisional government may be roughly divided into three groups:

- (i) The advocates of fair elections, even though this may mean that some neo-Peronists get seats. President Aramburu in his New Year broadcast announced that the armed forces would guarantee honest elections.
- (ii) The group that is genuinely afraid of a Peronist come-back. The vice-president, Admiral Rojas, leader of this group, recently caused consternation by saying at an extemporary press conference that no party tainted with Peronism would be allowed to govern the country, even if it won the elections. He also declared that the government would not include anybody connected either directly or indirectly with the dictatorship. Admiral Rojas evidently does not support President Aramburu's hands-off policy, but it is hard to see where his ban on an indirect connection with the dictatorship would end. Critics are pointing out that the admiral himself held his commission during the dictatorship.
- (iii) The third group pretends to be dismayed at Peronist strength, in order to feather its own nest. This group of extreme right-wing army officers was really disconcerted by the poor showing of the *peronistas* at the July elections; it had been relying on a Peronist victory as a pretext for postponing the presidential elections. These officers are now interested in allowing the *Unión Popular* to run candidates in the hope that it will do well enough to give them an excuse to oust President Aramburu.

to contribute to the governments, except for their refusal to contribute.

The loss of the Finnish and both were good units. UN and be enlarged to make up for the reasonably sure that they will.

With fewer but larger and unwieldy. That is why the UN by taking up new officers of offers which were declined a number.

It would, however, be future, should need arise: and (b) because the UN Soviet satellite troops in discrimination. In 1956 Last month, however, the the whole idea of the UN thus evoked relief as well.

Funds for UNCF economy-minded Asse aim of cutting daily off to entertain their But with expenditure morale high, team prospects are very

B.—The UN 65 out of 87 invited to the special me UNRWA. Only Apart from Am agency's bills, a

The agency month that ex continue, the only \$25.4 m

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to contribute to this according to the normal scale of UN dues. (The communist governments, except Yugoslavia, were alone in voting against this and in announcing their refusal to contribute.)

The loss of the Finnish and Indonesian contingents is causing no anxiety, though both were good units. UN officials are confident that the existing contingents can be enlarged to make up for the loss, now that governments providing troops can be reasonably sure that they will not have to pay too much of the extra cost themselves.

With fewer but larger contingents, the force will in fact be more effective and less unwieldy. That is why the UN has preferred not to replace the Finns and Indonesians by taking up new offers of troops made a year ago by various other governments, offers which were declined at the time because 6,000 men already seemed an adequate number.

It would, however, be easier to take up some of these outstanding offers in the future, should need arise: (a) because of the sounder financial position now achieved; and (b) because the UN has been relieved of the embarrassing possibility that some Soviet satellite troops might have to be accepted for Unef, to avert accusations of discrimination. In 1956 Czech and Rumanian contingents were offered for Unef. Last month, however, the Czech and Rumanian governments aped Russia in denouncing the whole idea of the force as a gross violation of the UN Charter. Their somersault thus evoked relief as well as amusement.

Funds for Unef have admittedly been only voted, not collected. (Several economy-minded Assembly delegates deplored as inadequate the Secretary-General's aim of cutting daily food costs per Unef soldier from \$2 to \$1.60—and then went off to entertain their lunch guests, on government money, at \$10 each or more.) But with expenditure of up to \$10 million approved for the first half of 1958, with morale high, team spirit growing, and rotation virtually completed, the force's prospects are very much better than that of:

*B.—The UN Relief and Works Agency for Palestine refugees (UNRWA).* Only 65 out of 87 invited governments (UN members and non-members) sent representatives to the special meeting held last October for the announcement of new pledges to UNRWA. Only 21 gave pledges. (*No communist state, except Yugoslavia, made any offer.*) Apart from America and Britain, which in the past have paid 90 per cent of the agency's bills, all other countries' pledges totalled only \$2 million (£720,000).

#### THE IMPLICATIONS

The agency's director, Mr. Henry Labouisse, pointed out to the Assembly last month that even if US and British gifts on their previous scale were counted on to continue, the total sum available in 1958 for both relief and rehabilitation would be only \$25.4 million—less than that required for relief alone. This implied that:

1. Not even a minimum rehabilitation programme could be carried on.
2. All the agency's schools would have to be closed in a few months' time.
3. Some types of relief work would have to be cut.



4. Exhaustion of reserve funds, and governments' slowness in fulfilling their pledges, might at any time lead to the full range of relief work being sharply interrupted.

To carry on relief work and a minimum of rehabilitation, the agency needs about \$8 million more than it now seems likely to get in 1958 even on favourable assumptions. But, in fact, the looming crisis could be averted for only \$2.7 million (less than £1 million) if: (a) countries other than America gave that sum and thereby brought into play the US pledge to match all other contributions in a 70 : 30 ratio; and (b) contributions came in promptly, before the pipeline runs dry.

Observers on the spot emphasise that the closing of the refugee schools would not just deprive children of education and further depress the already gloomy atmosphere. It would also throw into idleness 3,000 teachers and at least 115,000 youngsters—dry tinder for the agitators who already infest the camps.

A few further offers of help have reached UNRWA since Mr. Labrousse sounded his warning, but not enough to close the gap. Broadly speaking, the attitudes of the various groups of nations are as follows:

(i) The Arab states, while contributing services and a little cash, regard Britain and America as morally obliged to shoulder the main burden—though they also keep up a running fire of charges that UNRWA is a plot to make the refugees content to stay where they are. (In present circumstances, these charges could hardly be more ironically misdirected.)

(ii) The communists, except Yugoslavia, pay nothing, and make as much political hay as they can without reminding the Arabs of Russia's enthusiastic support for partition of Palestine in 1947.

(iii) The Latin Americans are eloquent in debate, but seldom give pledges and never actually pay up.

(iv) France, once a respectable contributor to UNRWA, is now in financial difficulties as well as at loggerheads with the Arab world. But Italy, whose foreign minister, Signor Pella, has been championing ambitious plans to avert Middle Eastern instability, has given the agency nothing at all; and west Germany, whose eagerness to appear the Arabs' friend is also accompanied by professions of concern about the stability of the area, has provided only \$25,000 (£9,000)—far less than, e.g., Norway, New Zealand, or Yugoslavia.

If a breakdown comes, the ensuing crisis will be a cut-price one, "bought" for less than a million unpaid pounds. It has even been rather bitterly suggested that, if the Middle East is to be set aflame anyway for lack of so small a sum, the UN might as well disband its Emergency Force, and thus save some real money.

*The Economist*

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→ Middle East  
DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper The Foreign Report

File No. 181/4/4

Published at London

Date 9-1-58

ME



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS **CONFIDENTIAL**  
**OUTWARD CABLEGRAM.**

CM:CM

0.15692

Sent: 12th December, 1957.

1242  
(Transmitted via leased channel)

TO:

Australian Mission to United Nations,  
NEW YORK

982. CONFIDENTIAL IMMEDIATE

Your NY1981: Australian Contribution to UNRWA.

Approval has been given for an increase in the Australian contribution to UNRWA for the financial year 30th June, 1958 from £A50,000 (dollars 112,000 equivalent) to the equivalent in inconvertible Australian currency of dollars 200,000. You are authorized to announce this decision in plenary.

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MIN & DEPT E.A. (852/12/10)  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'S

12th December, 1957.

SEC	A/Ss	L.A.	UN@	ER	CR	PAC&AM	AM&SP	S&SE1	SA
E.A.F&ME	E	AF&ME	INF	DL	MT	C&P			
WASHINGTON		LONDON							

**CONFIDENTIAL**



181/4/4

DEPARTMENT OF EXTERNAL AFFAIRS.

RESTRICTED

INWARD CABLEGRAM.

SHA:VA

I. 18782

Sent: 11th December, 1957  
1959  
Rec'd: 12th December, 1957  
1209

FROM:

(Via leased channel)

Australian Mission to the United Nations,  
NEW YORK.

NY2077. RESTRICTED. IMMEDIATE.  
From Walker. My 1981.

Contribution to U.N.W.R.A. Plenary will consider  
Special Committee's Report tomorrow 12th December.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M.'s.

12th December, 1957.

SEC A/Ss IA UN@ ER CR PAC&AM S&SEA SA EAR&ME E AF&ME  
INF C&P

G

GENEVA

RESTRICTED



181/4/4  
CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS.

**SAVINGRAM.**

I.18710.

AS:ABK.

Dated: 10th December, 1957.

1600.

FROM:

Rec'd: 11th December, 1957.

2054.

Australian Embassy,  
WASHINGTON.

(Transmitted via leased channel)

SAVINGRAM 535. CONFIDENTIAL

Japanese Oil Concession in Saudi Arabia.

Newsom (Iraq) Arabian Peninsula Affairs) on 6th December said feature of proposed agreement which caused most concern was fact that sharing of profits on 56-44 per cent basis (in favour of Saudi Arabia) was to be calculated on profits at point where petroleum products were sold to consumers. State Department, however, had not adopted any official position and would be unlikely to until agreement was signed. According to press reports on 6th December it appeared that Japanese Government had turned down proposed agreement.

MIN. & DEPT. E.A.  
MIN. & DEPT. N.D.  
MIN. & DEPT. TRADE (C-M)  
TREASURY.

12th December, 1957.

SEC A/Ss LA UN TA ER PAC&AM EA AM&SP S&SEA SA E.A.F&ME  
E AF&ME INF DL MT  
G.

CONFIDENTIAL



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

I.18475.

:ABK.

Dated: 6th December, 1957.  
2359.

FROM:

Rea'd: 7th December, 1957.  
1904.

Australian Mission to the United Nations, (Transmitted via leased channel)  
NEW YORK.

NY2028. UNCLASSIFIED.

Special Committee. Palestine Refugees.

1. Resolution in our NY1985 (as amended by our NY2009) was introduced by the United States and then adopted 49(Australia) - 0 - 21 (Soviets, Arabs, Italy), Chile.
2. Voting was preceded by statement by representative of the Secretary-General and Labouisse. The former said that most active steps would be taken to implement operative paragraph 2 and emphasised that these would be directed towards raising funds by voluntary contributions.
3. In a strongly worded statement Labouisse gave his understanding of the meaning of the resolution, while emphasising the gravity of the Agency's financial situation. He regretted that the resolution does not specifically endorse the Agency's budget although it gives general approval to its programmes. It is not clear what the Agency does if adequate funds are not received. He refuted the argument that a political solution would be an immediate alternative to contributions to the Agency's work. Unless additional funds received soon, the General Assembly will say, in effect, that rehabilitation projects must end. There is not even an assurance of how long it is possible to provide essential relief services. If the agency has no working capital the Assembly would be taking a calculated risk on the breakdown on U.N.W.R.A. This would create a situation of greater suffering, renewed unrest, and so prejudice the just settlement of the whole problem. He said that if a curtailment were forced, the host Governments should explain reasons to the refugees and provide protection for the Agency's staff. False statements, e.g. that U.N.W.R.A. is playing a political role, must be refuted.
4. 24 delegations spoke in explanation of vote, with the Latin Americans making it clear that contributions would be expected only on a voluntary basis.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
TREASURY.  
P.M.'S.

8th December, 1957.

SEC A/SS LA UNO ER CR PAC&AM AM&SP S&SEA SA E.A.F&ME  
E AF&ME INF DL MT C&P MR. GOSS.  
LONDON GENEVA.



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.  
INWARD CABLEGRAM.

CONFIDENTIAL

AS:ABK.

I.18403.

Dated: 5th December, 1957.

2140.

FROM:

Rec'd: 6th December, 1957.

1756.

Australian Mission to the  
United Nations,  
NEW YORK.

(Transmitted via leased channel)

NY2009. CONFIDENTIAL.

Repeated Washington for information, London (for  
External) savingram 400, Ottawa savingram 455.

Palestine Refugees.

The Arabs have suggested the following amendments to draft  
resolution:

- (A) Operative paragraphs 5 and 6 to become 1 and 2 respectively,  
and other renumbered accordingly,
- (B) Original operative paragraph 1 to be reworded after the word  
"refugees": "Bearing in mind the results obtained in paragraphs  
5 and 6" (This is the Arab's wording).
- (C) The latter part of original paragraph 5 to read: "In order that  
the Agency may carry out its budgeted relief and rehabilitation  
programmes and that cuts in services may be avoided".
- (D) Add to original paragraph 6: "To meet the Agency's budget  
and to provide adequate working capital".

2. After much stalling the Arabs today gave the Americans  
a promise that they would abstain on the resolution in this form.

3. Before the Latin Americans agreed to support it they  
required a clear assurance that there was no implication that funds  
were to be raised other than by voluntary contribution.

4. Labouisse would accept this new version provided that  
a directive could be derived from some part of the resolution, and  
provided that his oral understandings were accepted by the host  
Governments.

5. Both today meetings were cancelled in view of the  
continuing discussion between the Americans and the Arabs.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
TREASURER & TREASURY.  
P.M.'S.

8th December, 1957.

SEC A/Ss LA UN@ ER CR PAC&AM AM&SP S&SEA SA E.A.F&ME E  
AF&ME INF DL MT C&P.  
G.  
GENEVA.

CONFIDENTIAL



INWARD CABLEGRAM.

:ABK.

I.18280.

Dated: 4th December, 1957.

1835.

FROM:

Rec'd: 5th December, 1957.

1930.

Australian Mission to the United Nations,  
Nations, (Transmitted via leased channel)

NEW YORK.

NY1985. UNCLASSIFIED.

Special Committee - Palestine Refugees.

The following is text of resolution tabled this morning.

"The General Assembly.

Recalling its resolution 194 (111) of 11th December, 1948, 302(1W) of 8th December 1949, 393 (V) of 2nd December 1950, 513 (VI) of 26th January 1952, 614 (VII) of 6th November 1952, 720(VIII) of 27th November 1953, 818 (IX) of 4th December 1954, 916 (X) of 3rd December 1955 and 1018 (XI) of 28th February, 1957.

Noting the annual report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the report of the Advisory Commission of the Agency.

Having reviewed the budgets for relief and rehabilitation prepared by the Director of the Agency, and having noted the comment of the Advisory Commission to the effect that they are minimal.

Noting with grave concern that contributions to the budget are not yet sufficient, that the financial situation of the Agency is serious, and that cuts already have had to be made in the rehabilitation programme.

Noting that repatriation or compensation of the refugees, as provided for in paragraph 11 of Resolution 194 (111), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of resolution 513(VI) for the reintegration of refugees and that, therefore, the situation of the refugees continues to be a matter of serious concern.

Noting that the host Governments have expressed the wish that the agency continue to carry out its mandate in their respective countries or territories and have expressed their wish to co-operate fully with the Agency and to extend to it every appropriate assistance in carrying out its functions, in accordance with the provisions of Articles 104 and 105 of the Charter of the United Nations, the terms of the Convention on the privileges and immunities of the United Nations, the contents of paragraph 17 of resolution 302(1V) and the terms of the agreements with the host governments.

1. Directs the United Nations Relief and Works Agency for Palestine refugees in the Near East to pursue its programmes for the relief and rehabilitation of refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year;
2. Requests the host governments to co-operate fully with the Agency and with its personnel and to extend to the Agency every appropriate assistance in carrying out its functions;
3. Requests the Governments of the area, without prejudice to paragraph 11 of General Assembly resolution 194(111) of 11th



DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

2. I.18280.

December 1948, in co-operation with the Director of the Agency, to plan and carry out projects capable of supporting substantial numbers of refugees;

4. Requests the Agency to continue its consultations with the United Nations Conciliation Commission for Palestine in the best interest of their respective tasks, with particular reference to paragraph 11 of resolution 194(111).

5. Draws the attention of the Governments to the critical financial position of the Agency and urges them to consider to what extent they can contribute or increase their contributions in order that further cuts may be avoided.

6. Requests the Secretary-General, in view of the critical financial position of the Agency, to make, as a matter of urgent concern, special efforts to secure the additional financial assistance needed.

7. Expresses its thanks to the Director and the staff of the Agency for their continued faithful efforts to carry out its mandate, and to the specialised agencies and the many private organisations for their valuable and continuing work in assisting the refugees; and

8. Requests the Director of the Agency to continue to submit the reports referred to in paragraph 12 of General Assembly resolution 1018 (XI) of 28th February, 1957."

2. Americans and New Zealand spoke in support of the resolution. America said that if the Arabs and Israel do not take steps to solve the problem it would become even more difficult to arrange the necessary funds. New Zealand said that the situation required greater effort on Israel's part to reach a solution.

3. Syria said that the draft represented the views of the co-sponsors only. The resolution is not acceptable in its present form because it does not provide for the minimum needs of the refugees. This was the first time a resolution on UN.G.W.A. had been submitted without the prior agreement of the Arabs.

4. Peru asked the meaning of operative paragraph 6, was the Secretary-General merely to appeal to the goodwill of members or to take specific budgetary action?

5. The meeting was adjourned until tomorrow after the Chairman had expressed the hope that a vote could be taken then.

6. The question of the composition of the General Committee was not debated because negotiations are still in course.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
TREASURY.  
P.M.'S.

6th December, 1957.

SEC A/Ss LA UN@ ER CR PAC&AM AM&SP S&SEA SA E.A.P&ME E  
AF&ME INF DL MT C&P MR. GOSS.  
G.  
GENEVA.



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

**CONFIDENTIAL**

AS:CM

I.18249

Dated: 4th December, 1957.  
1405

Rec'd: 5th December, 1957.  
0910

(Transmitted via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK

NY.1981. CONFIDENTIAL IMMEDIATE

Repeated Washington for information and Ottawa  
savingram 449, London for External savingram 393.

For the Minister from Walker.

Australian Contribution to U.N.W.R.A.

1. You will be aware of the critical financial situation with which U.N.W.R.A. will be faced during the coming year. I feel that serious consideration should now be urgently given to a substantial increase in Australia's contribution.

2. The following arguments can be advanced in support of such action:-

- (a) Australia's interest in the preservation of stability in the Middle East. (Labouisse is genuinely concerned at the effect on refugees in Jordan of a substantial curtailment, if not abandonment, of secondary education projects).
- (b) An increase would be consistent with the Prime Minister's recent suggestions on the Middle East, and his stress on rehabilitation of the refugees as an essential factor in any progress towards eventual solution of the Arab-Israel problem.
- (c) The Australian contribution is considerably less than what it would be under compulsory assessment, even for the present minimum relief budget. New Zealand's contribution, for example, is proportionately much higher.
- (d) Any increase in our contribution would have the effect of increasing the American contribution by double that amount.

3. It may be objected that the burden of supporting the refugees continues to be shared by the same few countries, but I think it is quite unrealistic to expect an increase in their number.

4. My own suggestion would be for an increase of £ Australian 150,000. If this should be approved, it would be useful if I could make the announcement when the question goes to Plenary.

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**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.** **CONFIDENTIAL**

-2-

I.18249

MIN & DEPT E.A.  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'S

5th December, 1957.

SEC A/Ss LA UNO ER CR PAC&AM AM&SP S&SEA SA E.A.F&ME  
E AF&ME INF DL MT C&P  
TEL AVIV GENEVA

**CONFIDENTIAL**



181/4/4

DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

CM

I.18106

Dated: 2nd December, 1957.  
2155

Rec'd: 3rd December, 1957.  
1553

(Transmitted via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK

NY.1959. UNCLASSIFIED

Special Committee.

1. Palestine refugees. Resolution will probably be tabled tomorrow.
2. Increase in membership of Security Council, Eco Soc and International Court. Lall (India) in a brief statement foreshadowed resolution suggesting postponement for one year.

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MIN & DEPT E.A.  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'S

3rd December, 1957.



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

**CONFIDENTIAL**  
**INWARD CABLEGRAM.**

MP:CM

I.18096

Dated: 2nd December, 1957.  
2100

Rec'd: 3rd December, 1957.  
1410

(Transmitted via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK

NY.1958. CONFIDENTIAL

Repeated Washington for information. London (for  
External) SAV.389, Ottawa SAV.445.

Palestine Refugees.

1. The latest American draft would replace the present  
operative paragraphs 5 and 6 by --

"5. Draws the attention of the Governments to the  
critical financial position of the agency and urges them to  
consider to what extent they can contribute or increase their  
contributions in view that the agency may be able to carry through  
to fulfilment the agency's relief and rehabilitation programmes;

6. Requests the Secretary-General, in view of the  
critical financial position of the Agency, to undertake, as a  
matter of urgent concern, special efforts to seek the additional  
financial assistance needed". Present operative paragraphs 6 and 7 would  
then become 7 and 8.

2. If that part of operative paragraph 1 of our 1824  
beginning --

"Bearing in mind the limitation" should be eliminated,  
Labouisse would make a statement in Committee giving his under-  
standings on priorities to safeguard his position with the Arabs.

3. The Americans had two discussions with Arabs today,  
but made no progress. Further discussions will be held tomorrow  
afternoon.

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MIN & DEPT E.A.  
MIN & DEPT IMMIGRATION  
TREASURY & FINANCE  
P.M.'S

3rd December, 1957.

SEC A/Ss LA UNO ER CR PAC&AM AN&SP S&SEK SA  
E. AF&ME E AF&ME INF DL MT C&P  
G  
GENEVA

**CONFIDENTIAL**



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM. CONFIDENTIAL

MP:HP

I.18071

FROM:

Dated: 2nd December, 1957.

1245

Rec'd: 3rd December, 1957.

0938

(Via leased channel)

Australian Mission to  
the United Nations,  
NEW YORK.

NY1944. CONFIDENTIAL.

Repeated Washington for information, London (for  
External) Saving 385, Ottawa Savingram 440.

Palestine Refugees.

In their last discussions with the Americans the  
Arabs insisted that the minimum budgetary provision should be  
25 million dollars relief and 7 million dollars rehabilitation.

2. The Arabs suggested that funds contributed  
(estimated at 25 million dollars) should be extended as though  
the Budget were fully subscribed. The position resulting  
when the Funds were exhausted could be met by -

(a) Summoning Special Assembly;

(b) Priority considerations at Thirteenth Assembly;  
or

(c) Hand out by Americans.

3. Further discussions will be held today.

4. We shall put views in your 949 to the Americans today.

Min. & Dept. External Affairs.  
" " " Immigration.

Treasury  
P.M.'s.

3rd December, 1957.

SEC A/Ss LA UN@ CR PAC&AM AM&SP S&SEA SA EAF&ME E  
AF&ME INF DL MT C&P  
G

GENEVA

CONFIDENTIAL



CABLEGRAM. CONFIDENTIAL

BH:CM

0.15179

Sent: 2nd December, 1957.  
1910

(Transmitted via leased channel)

TO:

Australian Mission to United Nations,  
NEW YORK

949. CONFIDENTIAL

Your NY1919; Palestine refugees.

We think it would be bad in principle if operational programmes such as U.N.R.W.A. ceased to be voluntarily financed. One regrettable result might be a reduction in the number of such programmes. Many countries which might vote in favour of a programme to be financed on a voluntary basis might not be prepared to do so if they felt unable to contribute up to the full assessment level.

We therefore do not like the compromise contemplated by the United States which would appear only to lead in the direction of compulsory assessment. A less objectionable wording would be 'Secretary-General should study additional means of raising funds.' The reference to assistance which could be given by the specialized agencies also seems undesirable. We do not think the Assembly should endeavour to pass responsibility on to the agencies in this way.

MIN & DEPT E.A. (852/12/10)  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'S

3rd December, 1957.

SEC A/Ss LA UNO ER CR PACRAM AM&SP S&SEA SA  
E.A.F&E E AF&E INF DL MT C&P  
G  
GENEVA

CONFIDENTIAL



**CONFIDENTIAL****INWARD CABLEGRAM.**

MHC:AB

I.17953. 181/4/4

FROM:

Australian Mission to the  
United Nations,  
NEW YORK.Dated: 29th November, 1957.  
2100.Rec'd: 30th November, 1957.  
1424.

(Via leased channel)

NY.1928. CONFIDENTIAL.Addressed Canberra NY.1928, repeated Washington  
for information, London (For External) Saving 381, Ottawa Saving 436.Special Committee - Palestine Refugees.

1. To-day's meeting was cancelled. The co-sponsors have still not reached agreement with the Arabs on the text of a draft resolution. The Americans have suggested eliminating reference to the necessity to limit the Agency's activities and to strengthen the appeal for additional contributions, but the Arabs have made no constructive response.

2. We understand that the Arabs are no longer satisfied with Shukairy's presentation of their case and even though he still may be the main spokesman, all the Arabs are now raising their voices with the Americans.

3. The alternatives now are:

(A) to table the resolution without Arab agreement,  
or

(B) introduce no resolution.

In the event of (A) we have been told by the Americans that in a paragraph by paragraph vote the Arabs would oppose all except the first preambular paragraph and abstain on the resolution as a whole. If alternative (B) were followed, Labouisse feels that he could carry on but fears that half his staff would resign.

4. The meeting of the Committee is scheduled for tomorrow, but is dependent on outcome of another meeting between the Arabs.

MIN&DEPT E.A.  
MIN&DEPT IMMIGRATION  
TREASURER&TREASURY  
P.M.'S

1st December, 1957

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E.A.P&ME E AP&ME INF DL MT C&P  
G

GENEVA.

**CONFIDENTIAL**



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

**CONFIDENTIAL**

SA:HP

I.17879

FROM:

Dated: 28th November, 1957.

1635

Rec'd: 29th November, 1957.

1608

(Via leased channel)

Australian Mission to  
the United Nations,  
NEW YORK.

NY1919. CONFIDENTIAL.

Repeated Washington for information, London (for  
External) Saving 378, Ottawa Saving 432.

Palestine Refugees.

Arabs advised the United States Delegation recently that they were opposed to the proposed Draft Resolution because of its dependence on voluntary contributions. The Arabs suggested compulsory assessment on budgetary basis. According to Crossthwaite, the Arabs had vaguely in mind financial arrangements similar to those used for U.N.E.F. Crossthwaite added that it had taken the Arabs five days to give any reaction to the United States draft.

2. Co-sponsors pointed out to the Arabs that it would be difficult for them to sponsor such a proposal since co-sponsors are the major contributors to U.N.R.W.A. and they would appear in a poor light if they made a proposal which would have the effect of considerably reducing their own contributions.

3. The Americans are now trying to work out a compromise by using a phrase such as "Secretary-General should study means of raising funds other than by voluntary contributions". Reference might also be made to the assistance appropriate specialized agencies could give.

4. The eventual outcome is still obscure and according to Crossthwaite is being rendered more difficult by the fact that Shukairy (Saudi Arabia) is conducting negotiations with sponsors on behalf of the Arabs.

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Min. & Dept. External Affairs.  
" " " Immigration.

Treasury  
P.M.'s.

29th November, 1957.

SEC A/Ss LA UN@ ER CR PAC&AM AM&SP S&SEA SA EAF&ME  
E AF&ME INF DL MT C&F  
G

GENEVA

**CONFIDENTIAL**



INWARD CABLEGRAM.

...:VA

I. 17884

Sent: 28th November, 1957  
1601  
Rec'd: 29th November, 1957  
1732

(Via leased channel)

FROM:

Australian Mission to the United Nations,  
NEW YORK.

NY1915. UNCLASSIFIED.

Special Committee. Palestine Refugees.

The Committee heard the Director of the  
Refugees Office in New York.

2. Turkey, Lebanon and Yemen spoke.

3. It was suggested by India that if negot-  
iations on a draft resolution are protracted, the Committee  
will take up other items before the refugee question is  
completed.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M's.

30th November, 1957.

SEC A/Ss LA UN@ ER CR PAC&AM AM&SP S&SEA SA SEA  
EAF&ME F AF&ME INF DL MT C&P

G

LONDON GENEVA



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM. S S I F I E D

...:SS

I. 17820

Dated: 27th November, 1957

2245

FROM:

Rec'd: 28th November, 1957

2245

Australian Mission to the  
United Nations,  
NEW YORK

(Via leased channel)

NY.1906. UNCLASSIFIED

Special Committee.

Palestine Refugees.

United States said primary responsibility for the refugees rested on the Israelis and the Arabs. No reason why refugees should be maintained indefinitely if Israel and the Arabs did not take positive steps to solve the problem. The Assembly could not approve the Agency's budget without adequate pledges and so the directors should be given general guidance on priorities for expenditure.

2. Israel spoke along the usual lines and attributed the problem of the refugees to the Arabs. Arabs had resources and conditions to emancipate refugees. In other cases solution to refugee problems had been found by integration of refugees into host countries. In exercise of its sovereignty, Israel must decide who shall enter its territory. Resettlement in Israel would be alienation from Arab society not repatriation. Compensation requires a negotiated solution between the Governments directly concerned with international aid. Israel will pay adequate compensation provided a loan can be raised abroad.

3. Iraq stressed two salient points in the Israeli statement, namely that Israel was giving orders to the General Assembly to ignore United Nations resolutions and that she would pay compensation at the others' expense. Stressed Israeli's expansionist ambitions and the influence of the Jewish vote in the United States. Suggested United States aid to Israel should be proportionate to its aid to other countries and should be restricted to peaceful purposes.

4. U.S.S.R. said that Israel is responsible for the refugees and ignores United Nations resolutions which confirm the rights of the refugees.

5. Afghanistan supported repatriation and said the refugee problem was the biggest feature in Middle East unrest.

6. Uruguay and Costa Rica stressed the humanitarian aspects.

7. India said the refugees' own wishes should be respected. Israel should take first steps to solve the problem. Regretted the change in the Israeli attitude to compensation.

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181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM. UNCLASSIFIED

2.

I. 17820

8. Morocco and Bulgaria stressed non-implementation of resolution 194. Pakistan said income from Arab properties should be devoted to welfare of the refugees. Influx of immigrants into Israel must be stopped. Italy said it was necessary to envisage a bold and lasting solution to the problem and praised self support projects. Malaya hoped all members would contribute and said that her contribution was a modest one because she was engaged in a war with militant communism. Israel should make at least a beginning to repatriation. Nepal said that problem was humanitarian rather than political.

9. General debate concluded but no resolution yet tabled.

MIN & DEPT EA  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'s

29th November, 1957

SEC	A/Ss	LA	UN@	PAC&AM	AM&SP	S&SEA	SA	EA&P&ME	E
AF&ME	INF	DL	MT	C&P					

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LONDON GENEVA



181/4/4

INWARD CABLEGRAM.

CM

I.17754

Dated: 26th November, 1957.

2150

Rec'd: 27th November, 1957.

1704

(Transmitted via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK

NY.1884. UNCLASSIFIED

Special Committee. Palestine Refugees.

The Netherlands stressed the humanitarian aspect but regretted that more attention is not being given to the major problem of the Middle East. Asked if it was right that only one third of the United Nations members contributed to U.N.R.W.A.

2. Jordan said no progress had been made on the implementation of United Nations resolutions. The services provided by U.N.R.W.A. are already inadequate. Supported the Director's request that the budget be approved by the General Assembly. Since U.N.R.W.A. would end in 1960 alternative means should be found of raising funds. Custodian for Arab property should be set up. Sinai campaign is an example of Israel's expansionist policies. Zionism is a tool to further Western imperialism. The General Assembly should consider the international control of immigration into Israel.

3. Sweden said complete repatriation was unrealistic and favoured a constructive approach to the whole problem.

4. Greece emphasised the disparity of contributions. Hoped for at least a beginning to repatriation and compensation. Austria also spoke.

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MIN & DEPT E.A.  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'S

28th November, 1957.

SEC A/Ss LA UN@ CR PAC&M AM&SP S&SEA SA E.AF&ME  
E AF&ME INF DL MT C&P  
G  
LONDON GENEVA



181/4/9

DEPARTMENT OF EXTERNAL AFFAIRS

...:VA

INWARD CABLEGRAM.

I. 17688

Sent: 25th November, 1957  
2215  
Rec'd: 26th November, 1957  
2055

(Via Leased channel)

FROM:

Australian Mission to the United Nations,  
NEW YORK.

NY1868. UNCLASSIFIED.

Special Committee - Palestine Refugees.

Finland said Israel should agree to consider-  
able limited repatriation.

2. Syria stressed Israel's non-compliance with  
Clause 11 of resolution 194. Contrasted Israeli Immigration with  
her professed inability to repatriate refugees. Said Israel is  
a bridge-head of Western Colonialism.

3. Tunisia contrasted United Nations aid to  
Hungarian refugees with the aid to Palestinians. Compensation  
would improve the refugees' situation. Paid accompli cannot be  
accepted.

4. United kingdom (Crosthwaite) spoke strictly  
on "the business before the Committee", i.e. the Director's  
report. Special Committee not the place to consider the Palestine  
question.

5. Peru suggested negotiations under United States  
auspices to bring the parties together. Hoped Israel would change  
her position on repatriation and compensation.

6. Belgium also spoke.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M's.

27th November, 1957.

SEC A/Ss LA UN@ ER CR PAC&AM AM&SP S&SFA SA EAF&ME E AFA  
INF DL MT C&F

G

LONDON



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

CONFIDENTIAL

INWARD CABLEGRAM.

CM:SHA

I.17572.

Dated: 23rd November, 1957.

1215

Recd.: 24th November, 1957.

0900

(via leased channel)

FROM:

Australian Mission to United Nations,

NEW YORK.

NY1859.

CONFIDENTIAL.

Personal for the Prime Minister from Walker.

Reference your 751 of 22nd October on Middle East proposals.

The general tendency here is still to avoid any full debate on major political issues in the Middle East, having regard to the immediate need to get agreement on U.N.E.F. continuation and Canal clearance finance without too much fuss. However, I took the opportunity of the debate on U.N.E.F. financing yesterday to express the hope that the United Nations will soon find it possible to adopt a more positive approach to fundamental issues that maintain tension in the Middle East, and referred in that connection to the important suggestions you had made which should receive consideration at the appropriate opportunity.

2. Also in the Special Committee debate on Palestinian refugee relief this week we referred to your suggestion that an early approach be made to solve the refugee problem and reach an agreed settlement on borders. We rejected the attitude that the time is not ripe which could become substitute for constructive thinking. This brought some favourable comment although the United Kingdom and the United States privately expressed concern lest the debate on Palestine refugee arrangements might become embittered as a result of our introduction of political issues. This has not so far eventuated.

PRIME MINISTER AND DEPT.  
MIN. & DEPT. E.A.  
P.M.'s

24th November, 1957.

SEC A/Ss LA UN PAC&AM S&SEA SEA EAR&ME E AF&ME INF DL MT C&P  
G

CONFIDENTIAL



**INWARD CABLEGRAM.**

SHA.

I.17480.

Dated: 21st November, 1957.

2050

Recd.: 22nd November, 1957.

2153

FROM:

Australian Mission to United Nations,  
NEW YORK.

( via leased channel )

NY1839.

UNCLASSIFIED.

Special Committee - Palestine Refugees.

Egypt made standard statement. Said U.N.E.F. should be on both sides of the line. Australian statement was "unjust and unfair" since Egypt contributed \$3 million per annum to the assistance of refugees.

2. Sudan said the United Nations must see its resolutions are complied with. Appealed to all great powers on humanitarian grounds.

3. Iran said refugees rightly regard themselves as wards of the United Nations which must find an equitable solution. The problem could be solved by gradual and progressive repatriation.

4. Poland said the primary interest should be the wish of the refugees.

5. At the suggestion of Canada, supported by India, and Liberia, the debate was adjourned until Monday because of tomorrow's debate in Plenary on U.N.E.F.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M.'s

181/4/4

23rd November, 1957.

SEC A/Ss LA UNO ER CR PAC&AM EA AM&SP S&SEA SA EAF&ME E AF&ME INF  
DL MT C&P  
G  
LONDON



181/4/4

DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.** **CONFIDENTIAL**

TP:MC

I.17412/3/4.

Dated: 20th November, 1957.

2130.

Rec'd: 21st November, 1957.

2152.

(Transmitted via leased channel.)

FROM:

Australian Mission to the United Nations,  
NEW YORK.

NY 501.

CONFIDENTIAL

Palestine Refugees

Following draft was agreed at meeting of probable sponsors (United States, United Kingdom, New Zealand and Netherlands) and will be discussed with the Arabs. We understand it is acceptable to Labrousse.

"The General Assembly,

(First two preambular paragraphs as in our NY1755.)

Having reviewed the Budgets for relief and Rehabilitation prepared by the Director of the Agency, and having noted the comment of the Advisory Commission to the effect that they are minimal,

Noting with grave concern that contributions to the Budgets are not yet sufficient, that the financial situation of the Agency is serious, and that cuts already have had to be made in the rehabilitation programme,

Noting that repatriation or compensation of the refugees, as provided for in paragraph 11 of resolution 194 (III), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of the resolution 543 (VI) for the reintegration of refugees and that, therefore, the situation of the refugees continues to be a matter of serious concern.

Noting that the host governments have expressed the wish that the Agency continue to carry out its mandate in their respective countries or territories and have expressed their wish to co-operate fully with the Agency and to extend to it every appropriate assistance in carrying out its functions, in accordance with the provisions of articles 104 and 105 of the Charter of the United Nations, the terms of the Convention of the Privileges and Immunities of the United Nations, the contents of paragraph 17 of resolution 302 (IV) and the terms of the agreements with the host governments.

1. Directs the United Nations Relief and Works Agency for Palestine Refugees in the Near East to pursue its

/programme for....

**CONFIDENTIAL**

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.** **CONFIDENTIAL**

- 2 -

I.17412/3/4.

programme for the relief and rehabilitation of refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year, and bearing in mind that, if the funds available to the Agency are not sufficient to enable the Agency to continue all existing services, the provision of essential food, medical care and shelter under the relief programme should be the last services to be reduced;

2. Requests the host governments to co-operate fully with the Agency and with its personnel and to extend to the Agency every appropriate assistance in carrying out its functions;
3. Requests the governments of the area, without prejudice to paragraph 11 of General Assembly resolution 194 (III) of 11th December, 1948, in co-operation with the Director of the Agency, to plan and carry out projects capable of supporting substantial numbers of refugees;
4. Requests the Agency to continue its consultations with the United Nations conciliation commission for Palestine in the best interest of their respective tasks, with particular reference to paragraph 11 of resolution 194 (III);
5. Urges all Governments to contribute or to increase their contributions to the extent necessary to carry through to fulfilment the Agency's relief and rehabilitation programmes;
6. Expresses its thanks to the Director and the staff of the Agency for their continued faithful efforts to carry out its mandate, and to the specialized Agencies and the many private organizations for their valuable and continuing work in assisting the refugees;
7. Requests the Director of the Agency to continue to submit the reports referred to in paragraph 12 of General Assembly resolution 1018 (XI) of 28th February, 1957.

MIN & DEPT E.A.  
MIN & DEPT IMMIGRATION  
TREASURY  
P.M.'s

22nd November, 1957.

SEC A/Ss LA UN@ ER CR PAC&AM EA AM&SP S&SEA SA  
EAF&ME E AF&ME INF DL MT C&F

G

LONDON

**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

AS

I.17408.

FROM:

Australian Mission to the  
United Nations,  
NEW YORK.

Dated: 20th November, 1957.  
2140.

Rec'd: 21st November, 1957.  
2030.

(Via leased channel)

NY.1822. UNCLASSIFIED.

Special Committee - Palestine Refugees.

Saudi Arabia spoke along the usual lines. Re-  
plying to the Australian statement, said the West should find a sol-  
ution. The East was not responsible for the refugee situation.

Emphasized Agency's financial plight. Urged some  
action by Israel on compensation and repatriation and said a solution  
should be found to the whole problem.

MIN&DEPT E.A.  
MIN&DEPT IMMIGRATION  
TREASURY  
P.M'S

22nd November, 1957

SEC A/Ss LA UN@ ER CR PAC&AM EA AM&SP  
S&SEA SA E.AF&ME E AF&ME INF DL MT C&P MR.GOSS  
G

LONDON.

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

I. 17300

Sent: 19th November, 1957  
2045  
Rec'd: 20th November, 1957  
1409

(Via leased channel)

FROM:

Australian Mission to the United Nations,  
NEW YORK.

NY1806. UNCLASSIFIED.

Palestine Refugees.

The United States statement emphasised Agency's financial difficulties and offered an additional 500,000 dollars for relief and 1,000,000 dollars for rehabilitation subject to the 70 per cent proviso.

2. Denmark said it would be unrealistic to expect mass repatriation - it was imperative to promote rehabilitation and re-settlement.

3. The Philippines also spoke.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURER & TREASURY  
P.M.'s.

20th November, 1957.

SEC A/Ss LA UNO ER CR PAC&AM AM&SP S&SEA SA EAF&ME E  
AF&ME INF DL MT C&P MR. GOSS

G

LONDON

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.** **CONFIDENTIAL**

HP:CM

I.17295

Dated: 19th November, 1957.

2040

Rec'd: 20th November, 1957.

1239

(Transmitted via leased channel)

FROM:

Australian Mission to United Nations,  
NEW YORK

NY.1808. CONFIDENTIAL AND GUARD

Repeated Washington for information, Ottawa Saving  
414, London (for External) Saving 366.

Palestine Refugees.

We have heard in confidence from Secretariat that  
Labouisse has suggested the following changes to United States  
for their draft resolution -

- 1(a) Add to third preambular paragraph "and having noted the  
comment of the advisory commission to the effect that they  
are essential"
- (b) In fourth preambular paragraph insert the word "grave"  
before "concern", and add "and that the financial situation  
of the agency is serious".
- (c) Delete in sixth preambular paragraph from "in accordance  
with..."
- (d) Change third operative paragraph to read "to plan projects  
capable of supporting substantial numbers of refugees and  
authorises the director to apply to the general Assembly  
for the provision of monies from the rehabilitation fund  
in order to enable the agency to carry out such projects".
- (e) Delete paragraph 5.

2. United States will accept preambular changes, but  
not keen on the changes in operative paragraph. They are now  
consulting Washington and will then call a meeting of Sponsors.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURY  
P.M.'s.

181/4/4

20th November, 1957.

SEC A/SS LA UNO ER PACAM AMASP SASEA SA EAFME E  
AFOME INF OL MT C&P

G

**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS. **RESTRICTED**  
**INWARD CABLEGRAM.**

SHA:VA

I. 17219

Sent: 18th November, 1957  
2215  
Rec'd: 19th November, 1957  
1536

(Via leased channel)

FROM:

Australian Mission to the United Nations,  
NEW YORK.

NY1797. CONFIDENTIAL.

Special Committee.

Palestine Refugees.

Labouisses' statement was primarily a summary of his report, emphasizing the Agency's financial difficulties. Text by bag.

2. Only Australia spoke. A summary of the statement follows in my immediately following telegram. The United States and Denmark are listed to speak tomorrow.

3. Reference our 1755. The United States are now apparently prepared to make operative paragraph 5 sufficiently "fuzzy" to satisfy Labouisse and to avoid raising false hopes in the Arabs.

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MIN. & INT. AFF.  
MIN. & DEPT. IMMIGRATION  
TREASURER & TOL. SURVY  
P.M.'s.

19th November, 1957.

SEC A/Ss UN@ LA CR PAC&AM AMOS S&SEA SA KAR&ME B AF&ME  
INT DL MT C&F

G

LONDON

181/4/4  
**RESTRICTED**



DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

..MC

I.17227.

Dated: 18th November, 1957.

2310.

Rec'd: 19th November, 1957.

1754.

FROM:

(Transmitted via leased channel.)

Australian Mission to the United Nations,  
NEW YORK.

NY1798.

UNCLASSIFIED

Special Committee

Reference our 1797.

Main points of Australian statement were:

Agency as at the beginning of 1958 will have working capital sufficient for only two months' operations and a shortage of funds for relief purposes of two million dollars for whole year.

Arabs Governments have made not insignificant contributions but they should bear in mind the plight of the refugees is no worse only because of the regular contributions of a small proportion of United Nations members. One might expect them to give thought to the question "who are our real friends?" (Iraq on point of order at this stage said the Committee was considering the report of the U.N.R.W.A. Director and there was no reason why Arab Governments should be drawn into discussion.) Australia supports strongly the Director's desire that all contributions be paid in advance of expenditure and hopes that minimum relief expenses for 1958 can be met. Would be unreal to approve a budget funds for which would not be met by voluntary contribution. U.N.R.W.A. is the responsibility of all United Nations members.

Noted improvement in Agency's relations with host governments although minor difficulties remain, for example, recognition of Agency's correct status.

Regarding the fundamental issue of the political background to the whole situation perhaps both parties should bear almost equal share of responsibility. Government of Israel prevented the return of the refugees to their former homes. Vague suggestions of limited repatriation have not been followed up and Israel gave a stated position on compensation but retracted from it. Repatriation of 900,000 refugees would, however, be completely unrealistic. Israel's rights to exist is still not recognised by Arab Governments. Neither side appears prepared to make the first concession.

181/4/4



DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

- 2 -

I.17227.

U.N.E.F. has made a contribution to achieving the incident free calm that must precede any final settlement. The Prime Minister of Australia recently emphasised an urgent need for a settlement of the refugee question and a guaranteed settlement of the border problem to provide a practical frame-work for an approach to major problems rejecting the cry that the time is not right for settlement.

It was a sobering thought that members of the United Nations were being asked to pay, and it is believed would agree to pay, 25 million dollars per annum to maintain U.N.E.F. force of 6,000 while greatest difficulty was being encountered in obtaining same sum to keep 900,000 people alive.

Full text by bag.

MIN & DEPT E.A.  
MIN & DEPT IMMIGRATION  
TREASURER & TREASURY  
P.N's

19th November, 1957.

SEC A/Ss LA UN@ OR PAC&AM EA AM&SP S&SEA SA EAF&ME  
E AF&ME INF C&P

G

LONDON GENEVA



CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS.

INWARD CABLEGRAM.

181/4/4

ABK:MC

I.16630.

Dated: 8th November, 1957.

2230.

Rec'd: 9th November, 1957.

1140.

FROM:

Australian High Commission,  
LONDON.

2650.

CONFIDENTIAL

From External.

Israel

The United Kingdom Ambassador, Bagdad, has reported that during the visit of King Faisal to Teheran the Shah raised the question of Palestine. He emphasised desirability of countering the damaging use which the Communists were making of the problem and expressed willingness to throw in his influence if he could helpfully do so.

2. In the light of Mr. Menzies' recent comments initiative by small powers towards overall settlement might emerge from encouragement of interest of the type evident by the Shah.

MIN & DEPT E.A.  
P.M.'s

9th November, 1957.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The Times*

File No. *181/4/4*

Published at *London*

Date *5.11.57*

*ME*

**ARAB REFUGEE WORK  
IN DANGER**

**U.N.R.W.A. APPEAL FOR  
FUNDS**

NEW YORK, Nov. 4.—A warning that the extremely grave financial situation of the United Nations Relief and Works Agency is "a cause for real alarm for everyone interested in the welfare of the Palestine refugees and in the stability of the Near East," is given in the agency's annual report, issued to-day.

The director of the agency, M. Labrousse, said in the report that the estimated financial needs of U.N.R.W.A. for 1958 would be \$54,700,000 (£14,500,000), of which \$25,300,000 would be for the relief programmes, and \$15m. for rehabilitation of the agency's working capital would be required enough to cover expenditure for two months, and M. Labrousse urged the Assembly to contribute \$8m. above the 1958 estimate to provide a reasonable working capital.

**MILLION DEPENDENTS**

U.N.R.W.A. provides food and medical care for more than 988,000 Arab refugees in the Gaza strip, Jordan, Lebanon, and Syria. It provides shelter in camps for about 40,000 of them, and about 170,000 school children attend U.N.R.W.A. schools.

In U.N.R.W.A. most commitments are urgent and inescapable. M. Labrousse points out: "Hundreds of thousands of human beings depend upon it for the bulk of their daily food, for medical care and shelter. If U.N.R.W.A. failed to provide the rations and medicine at the right times and places, acute starvation and disease would become an immediate threat.

"Grave consequences, political, and social, can also be expected to follow any interruption of the general education programme which could condemn the whole generation of refugee children to a future of illiteracy and poverty."



DEPARTMENT OF EXTERNAL AFFAIRS.  
**OUTWARD CABLEGRAM.**

**RESTRICTED**

AS:SS

O. 13889/98

Sent: 4th November, 1957  
1847

TO:

Australian Mission to the  
United Nations, \*  
NEW YORK ..... 811

\* (Via leased channel)

Repeated to:

Australian Consulate-General,  
GENEVA ..... 391

181/4/4

RESTRICTED - PRIORITY

Your 1498.

In general we support United States proposal to wind up U.N.R.E.F., to provide for carrying out residual functions, and for care and maintenance of refugees on continuing basis.

2. We would question desirability of entrusting to Policy Committee the Authorisation of appeals other than emergency appeals.

3. We share United Kingdom's view that a reserve fund of \$100,000 would be adequate since emergencies could be dealt with without delay under the draft.

4. Our support for intensification of U.N.R.E.F. programme does not, necessarily imply commitment to increase our financial contribution.

A/MIN & DEPT EA (861/8/5)  
MIN & DEPT IMMIGRATION  
TREASURER & TREASURY  
P.M.'s

5th November, 1957

SEC A/Ss LA UNO PAC&AM S&SEA SA EAF&ME E /F&ME INT  
C&P

G

**RESTRICTED**



181/4/4  
CONFIDENTIAL

RECORD OF CONVERSATION BETWEEN  
MR. LABOUISSSE, DIRECTOR OF UNRWA,  
AND MR. FORSYTH

11th October, 1957.

UNRWA

Working Capital and Contributions

Mr. Labouisse commenced by stressing the critical state of UNRWA's finances. He explained what he called "working capital", by which term he really meant a reserve to meet current expenses in the event of a lag in contributions. At the present time there was only \$6 million in this reserve, enough to meet two months' current expenses. He was budgeting for an additional \$8 million, and hoped as nearly as possible to maintain a "working capital" of \$14 million. He mentioned that the Sudan and Libya were making small cash contributions for the first time, but, on the other hand, France's contribution for 1958 would be reduced by over \$1 million. All the Arab States except Iraq were making contributions in kind. For instance, transport provided by Egypt was valued at \$250,000, while Jordan assisted by subsidising vocational courses for refugees. Mr. Labouisse regretted that the United States, by its practice of limiting its contribution to a certain percentage of the total contributions, was, in effect, allowing a policy in which it believed to be vetoed.

Reduced Activities

Mr. Labouisse referred to some of the Agency's most important activities as -

(a) Individual grants. These grants, which had been utilised for settlement on the land and for teaching trades, had first been approved by the Jordanian Government but then rejected in the face of popular opposition. However, they had then been tacitly accepted and eagerly sought by many of the refugees. The cost of each individual grant was approximately \$195, which in most cases provided for the resettlement of a family unit. When lack of funds made it impossible to continue this type of activity there were 1,600 applications outstanding.

(b) Vocational Courses. The Director described these as mere drops in the ocean but at the same time very valuable. The relatively few refugees who became qualified as a result of these courses easily found jobs in such places as Kuwait and Iraq, and by spreading the word amongst their friends increased the demand for such courses.

(c) Another side of the refugees' desire to better their circumstances was the demand for permanent camps, although Mr. Labouisse continually stressed that there was no relaxation of the emotional desire for repatriation to their former homes in Palestine. Applications for individual grants, vocational courses and improved camp conditions are straws in the wind, indicating that some of the refugees, a very small proportion it is true, are beginning to face the fact that they may never be able to return to their former homes. This has only begun to happen since the Egyptian defeat.

Iraq, although outwardly refusing to consider any solution of the refugee problem except repatriation to their homes, is prepared to admit those who apply for work in Iraq.

/Gaza.  
181/4/4



Gaza

Mr. Labouisse said that, although there was no doubt that the refugees preferred Egyptian to Israeli administration, they nevertheless would welcome the replacement of the Egyptian by U.N. trusteeship. This was probably partly due to the fact that since the refugees had witnessed the precipitate flight of the Egyptians, the Egyptians felt bound to return in the guise of conquerors. Furthermore, this flight had been so hasty that the Egyptians had omitted to take with them or to destroy their C.I.D. records, which the Israelis had used effectively in identifying prominent members of the Fedayeen: many of these had simply disappeared soon after the Israeli occupation of Gaza. Another result of the Egyptian return to Gaza was the continual pin-pricking of UNRWA's staff, particularly the British, French and Australian members.

General

Stressing again the important role UNRWA played in maintaining stability in the Middle East, Mr. Labouisse referred particularly to Jordan. He had recently seen King Hussein, who had underlined the dangers that could be caused by student agitators - "Please keep the schools open," the King had said. At the same time, Mr. Labouisse went on, it had to be borne in mind that the Jordanian Government could appear to make no concessions to UNRWA (there was a book debt for rent for Crown lands occupied by refugees) because of the fear of the propaganda use that would be made of them by Egypt and Syria. Finally, in answer to a question, Mr. Labouisse expressed the personal opinion that if UNRWA were wound up there would immediately be an offer of massive aid from Russia.

Regarding his personal plans, Mr. Labouisse said that he had hoped to retire in March 1957 but had felt bound to stay on during the Suez crisis. He now hopes he may be able to retire next year.

16th October, 1957.

DW:bt



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The Times*

File No. *181/4/4*

Published at *London*

Date *Oct. 7 - 1927*

**£9M. FOR PALESTINE  
REFUGEES  
AID FROM 21 COUNTRIES**

FROM OUR UNITED NATIONS  
RELIEF AND WORKS AGENCY

**NEW YORK, Oct. 6**

At a unique "pledging conference" of the General Assembly meeting in *ad hoc* committee on Friday to seek funds for refugees in need of United Nations aid, 21 countries undertook to contribute \$25,500,000 over 1948 for continued relief and rehabilitation among more than 900,000 Palestine refugees in the Middle East. Of this total, \$21,800,000 was pledged by the United States and \$2,900,000 by Great Britain.

In the past Britain and the United States have consistently been the largest supporters of the United Nations Relief and Works Agency, contributing 90 per cent. of its funds. The Soviet Union and satellite countries have never contributed a rouble, nor did they offer to do so. Yugoslavia, however, pledged \$40,000. Six Arab countries—Jordan, Lebanon, Libya, Morocco, Sudan, and Saudi Arabia—undertook to give various sums, the largest being \$95,000 from Saudi Arabia.

Mr. Labrousse, Middle East director of the agency, said that its minimum budget for 1958, as unanimously recommended by its advisory council, called for expenditure of \$40,700,000, of which \$25,700,000 was for relief and \$15m. for rehabilitation.



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

**CONFIDENTIAL**

SHA:SS

I. 14309

Dated: 2nd October, 1957

2245

FROM:

Rec'd: 3rd October, 1957

1745

Australian Embassy,  
WASHINGTON

(Transmitted via leased channel)

181/4/4.

1214. CONFIDENTIAL

Addressed Canberra 1214, repeated to New York.

U.N.R.W.A. - your telegram 1006.

State Department (Ludlow) told us today that, subject to final approval by Dulles, United States would announce at pledging conference a relief contribution of 17,500,000 dollars and contribution of 4,000,000 dollars towards first priority rehabilitation programme.

2. When announcing contribution the United States would refer to its efforts at last year's General Assembly to have operational responsibilities transferred from U.N.R.W.A. to host Governments and to rider attached to mutual security legislation. In this connection, the United States would announce that it had earmarked an additional 300,000 dollars to be made available to the director for expenditure in 1958 solely for planning, or implementation of planning, for the transfer of administration of relief from U.N.R.W.A. to host Governments.

3. Regarding Committee consideration of refugees item it was now unlikely that the United States would introduce a resolution referring to the termination of the agency's mandate in 1960. However, a final decision would not be taken until committee consideration began. It was considered that relations between the United States and Arab States over Syria were now so clouded that this Assembly would not be the appropriate place to exert further pressure on host Governments.

UNCLAS

A/MIN & DEPT EA  
A/TREASURER & TREASURY  
MIN & DEPT IMMIGRATION  
P.M.'s

4th October, 1957

SEC A/SS LA UNO TA ER CR PACMAN ANASP GSEDA  
SA EAF&E E AF&E INF DL MT

TEL AVIV LONDON

**CONFIDENTIAL**



CONFIDENTIAL  
DEPARTMENT OF EXTERNAL AFFAIRS  
OUTWARD CABLEGRAM

AS

0.12367.

Sent: 2nd October, 1957.  
1725.

TO:

(Transmission via leased channel)

Australian Embassy,  
WASHINGTON.....1006.

Repeated to:

Australian Mission to the United Nations,  
NEW YORK.....663.

181/4/4.

CONFIDENTIAL.

U.N.R.W.A.

Reference Washington's Saving 372.

Would be glad to know how rider regarding willingness of Israel and Arab states to take steps to resettle or repatriate attached by Congress to appropriation for U.N.R.W.A., will be reflected in United States pledge to pledging conference on 4th October.

A/MIN&DEPT E.A. (852/12/10)  
MIN&DEPT IMMIGRATION  
P.M'S

3rd October, 1957.

SEC A/Ss LA UN ER PAC&AM AM&SP E.A.F&ME E INF C&P  
S&SEA

CONFIDENTIAL





In reply quote No. 230.5

Memo. No. 420/57

AUSTRALIAN LEGATION,  
TEL AVIV.

20th September, 1957.

The Secretary,  
Dept. of External Affairs,  
CANBERRA. A.C.T.

FORMER ARAB LAND IN ISRAEL  
Your Memo. No. 106 (181/4/4)

I have read the 13th, 14th and 15th Progress Reports of the United Nations Conciliation Commission for Palestine which you kindly sent, and have asked New York to send the most recent report when it becomes available.

2. It is convenient to record the two most recent Israeli positions as related in the foregoing reports. These are, first, the letter of Mr. Eban dated 9th October, 1953 (A/2629 para. 24) and the letter of Mr. Cidor dated 11th March, 1956 (A/3199 Annex "A").

3. The terms of Section 4 of the Absentees' Property Law 5710/1950, referred to by Mr. Eban, are as follows:-

"4. (a) Subject to the provisions of this Law -

(1) all absentees' property is hereby vested in the Custodian as from the day of publication of his appointment or the day on which it became absentees' property, whichever is the later date;

(a) every right an absentee had in any property shall pass automatically to the Custodian at the time of the vesting of the property; and the status of the Custodian shall be the same as was that of the owner of the property.

(b) The proceeds of vested property shall be dealt with like the vested property yielding the proceeds.

(c) Vested property -

(1) shall remain vested property so long as it has not become released property under section 28 or ceased to be absentees' property under section 27;

(2) may be taken over by the Custodian wherever he may find it.

(d) Where the Custodian has acquired any property which was not absentees' property at the time of the

copy sent to  
U.N.

R.R.  
10/9.

CONFIDENTIAL GR



CONFIDENTIAL

acquisition, in exchange for vested property, the acquired property shall become held property and shall be dealt with as was the property in exchange for which it was acquired."

As the Law defines "property" as including movable property and moneys, I suppose that Mr. Eban means that section 4(d) of the Law is applicable to sales by the Custodian of property vested in him, although this is not readily apparent from its terms.

4. There is no formal inconsistency between Mr. Eban's letter and that of Mr. Cidor, although of course the latter's indicates a hardening of Israel's attitude. In the course of my conversation with Mr. Comay (my Memorandum No. 419) I asked him whether Israeli thinking on the compensation which Israel has from time to time said it was willing to pay, contemplated individual or collective payments. It was apparent that I had touched on a sensitive point, and he was rather cautious in his reply. He began by saying that "it hadn't been worked out yet", and then went on to say that their original idea had been that a payment should be made to some United Nations body (unspecified) which would settle with individual claimants. This of course will have ante-dated the Dulles' offer in August 1955 of a loan to Israel to help it to pay compensation. The payment then envisaged will no doubt have been both inter-governmental and linked with re-settlement.

5. The whole question is, regrettably, largely academic but my conversation reinforces my belief that Israel has never contemplated paying compensation to individual landholders in respect of the specific properties which they left. In these circumstances the work of identifying these properties which the Conciliation Commission is carrying out is of doubtful practical value.

*B.C. Ballard*

(B.C. Ballard)  
Minister.

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper Arduas! Mirror

File No. 8144

Published at

Date Sept 129 - 1957

# STILL WORSE PROSPECT FOR PALESTINE REFUGEES

Crippling of Rehabilitation Work and Cut in Food Rations  
Unless More Funds are Raised

BEIRUT—Mr. Henry Labrousse, director-general of the United Nations Relief and Works Agency for Palestine Refugees, is to arrive at the New York headquarters within a few days' time for a detailed discussion of the annual report and notably the budget.

The report may not be published for perhaps a few weeks, but enough is known about the budget, with new facts available this week, to depress people who are aware of the danger to the kind of peace now prevailing in the Middle East that can result from exploiting the discontent among the refugees. Their plight is already dreary. Unless the United States and Britain are willing to go on contributing more than 90 per cent of the funds and even increasing this proportion, or other countries which have never paid a piastre, such as Russia, or very little are willing to do their share, the Jordanian Government may be threatened with a new revolt springing from the 517,000 refugees herded into its territory and there may be serious unrest in the Gaza strip, where the 220,000 refugees outnumber the local population by more than two to one.

In the budget as it now stands there is an estimated gap of \$2 million between income and expenditure on relief up to the end of next June. It can be closed only by suspending all work on permanent accommodation for the refugees and possibly reducing the already minimal feeding standard of 1,500 calories a day. Further, the rehabilitation fund, from which all education and self-help projects are financed, will be exhausted by next June.

The special advisory department of the Jordanian Ministry of Development, organised and financed by UNRWA to coordinate its rehabilitation activities with the government's development programme, has been disbanded for lack of money. Since March no new agricultural resettlement projects have been accepted by UNRWA. Three vocational training centres, two teacher training institutions, and two agricultural centres which were to have been built this year have had to be shelved. If no fresh money for rehabilitation is forthcoming in the next nine months the UNRWA schools will have to be closed, when a third of the children in Jordan and a majority of those in Gaza will be thrown on their own resources—if any.

The liquid assets in hand at the end of this year are expected to consist of \$3,800,000 for relief work and \$2,400,000 for rehabilitation. The minimum needs for 1958 are \$25,700,000 for relief and \$15 million for rehabilitation. The latter sum includes \$10 million for elementary and secondary education and for the two existing vocational training schools. But UNRWA also wants five new vocational training and agricultural training schools and two teacher training schools and to restart self-supporting projects which have had to be stopped in the past year because of lack of funds. More than 5,000 refugees have already been made self-supporting thanks to grants totalling \$2 million. UNRWA's request for \$15 million for rehabilitation is \$11 million more than was received last year, when UNRWA drew heavily on reserves.

Political problems aside, it is reckoned that it would take from 10 to 15 years to resettle the present refugee population--which grows greater every year--in suitable adjacent areas. "Political problems aside" is a wistful reservation, as is shown by the ferocity of Arab criticism, usually led by Egyptian papers, whenever it is suspected that "the west" is sounding out the chances of resettlement outside Palestine.



Name of Paper *The Times*  
Published at *London*File No. *181/4/4*  
Date *11/12/1957*THREAT OF CRISIS OVER  
REFUGEESLACK OF FUNDS FOR U.N.R.W.A.  
WORK IN ARAB CAMPS

From Our Middle East Correspondent

Nobody can visit Jordan without being conscious of the Palestinian refugees. At every entrance to Amman their hovels stand a ragged guard. On the Dead Sea plain the great camp at Jericho fans out like a gravelly, barren delta from the foot of the Judean hills. By the road to Bethlehem their tents and shacks are huddled in the olive groves and blend with the rocks of the dappled limestone hillsides.

A third of the 1,500,000 inhabitants of Jordan are refugees. More than 300,000 of the rest are natives of the Jordan part of Palestine, known as the west bank, who have been affronted and impoverished by the refugees' arrival and their own effective loss of lands, property, and trading facilities in what is now Israel. Thus the life of nearly two-thirds of the population is permeated by the refugee problem, engendering bitterness and hopeless illusions, fertile in riot and subversion.

For nine years their martyrdom has been maintained, as much as anyone, by Arab politicians, who for the sake of political advantage have consistently shelved responsibility for their upkeep while deliberately thwarting their chances of attaining self-sufficiency on any substantial scale.

## CRISIS THREATENED

It is not surprising that the United States and Britain, who between them contribute more than 90 per cent. of the funds for the United Nations Relief and Works Agency, should grow impatient of the apparently useless expenditure, especially when neither Russia nor Israel contributes a penny. But nearly every U.N.R.W.A. official in the Middle East agrees that unless Britain and America are willing to be bled further, or other countries are ready to do their share, within 12 months another major crisis will be threatened in Jordan, and probably also in Gaza, where 200,000 refugees outnumber the local population by more than two to one.

The U.N.R.W.A. budget is a complicated affair and will be discussed in detail in New York in the coming weeks; but its skeleton this year shows serious deficits impending everywhere. An estimated gap of \$2m. between income and expenditure on relief between now and next June can be closed only by suspending all work on permanent accommodation for the refugees and may even require some reduction in the already minimal feeding standard of 1,500 calories a day. The rehabilitation fund, from which all refugee education and self-help projects are financed, will be exhausted by next summer.

## DISBANDED

This was created by unusually large British and American contributions in 1951-53 and provided for a reduced expenditure of \$10m. last year on educational and other projects; but, even including new and substantial contributions promised or expected from the United States and Britain, not more than \$7m. will be available between now and June and, after that, nothing.

The special advisory department of the Jordan Ministry of Development, organized and financed by U.N.R.W.A. to coordinate its rehabilitation activities with the Government's development work, has been disbanded for lack of funds. Since March no new agricultural resettlement projects have been accepted by U.N.R.W.A. Three vocational training centres, two teacher training institutions, and two agricultural centres which were to have been built this year have had to be shelved. If no more money for rehabilitation is forthcoming in the next nine months the U.N.R.W.A. schools will have to close, and a third of the children in Jordan and a majority of those in Gaza will be thrown on their own resources amid the sort of rancour that U.N.R.W.A. officials believe is sure to provoke widespread unrest.

The same officials find a particular irony in the approaching collapse of their work now, just when, they say, tenuous indications of a change of heart have begun to appear among the Arabs. As an example they report that hundreds of applications have been received for agricultural resettlement grants since the service closed in March.

They refer to Dheish camp, near Bethlehem, where the displacement of

tents with permanent huts in the past 12 months has apparently fired some of the occupants at last to make the best of their imperfect world, with the result that terraces have been built on the rocky hillsides and a few pathetic little gardens have begun to appear among the boulders. They say that responsible members of the Jordan administration are at last expressing the belief that the refugees must be integrated with the rest of the population by creating opportunities for normal employment.

Other Arabs have even privately suggested that, if Israel would only make the gesture of permitting the return to Palestine of 50,000 refugees, it would be enough; they would all leave again, so it is argued, after discovering the homeland was no longer like home, and the rest of the refugees would profit from their example. An Arab historian in Beirut has even summoned up the courage to announce publicly his shame that fellow Arabs are willing to let the refugees exist indefinitely on international charity instead of encouraging them to seek self-support.

In the past 18 months nearly \$3m. has been spent in Jordan alone on various rehabilitation projects, and the work is described in Amman as having been 80 per cent. successful. Certainly it has removed 5,000 people from the U.N.R.W.A. relief roll. This, like that of the total number of refugees resettled, is a pitifully small figure; of nearly one million refugees in all countries only about 30,000 have resettled themselves in the past nine years, with indirect help from U.N.R.W.A., and only about 17,000 more have been resettled through the agency's direct intervention.

## MULTIPLICATION

The refugees multiply faster than they are rehabilitated; in spite of the arbitrary allowance made by U.N.R.W.A. for the "death-rate racket" in which refugee families fail to report deaths in order to be able to continue to draw rations for the dead individual, the registered number has risen by nearly 50,000 since U.N.R.W.A. established its basic census figure of 880,000 in 1951.

Moreover, it is unfortunately true that the Arabs, with their unmatched capacity for kicking gift horses in the teeth, have offered neither America nor Britain much else than brickbats for their support of the refugees, while the failure of the Russians to contribute to U.N.R.W.A. has earned them no perceptible ill-will. It is therefore reasonable to ask whether it is worth while trying to keep U.N.R.W.A. afloat.

The answer of agency officials is that, apart from the fact that their work is for the first time beginning to show some constructive results, the risk of an upheaval in a State as precarious as Jordan is too great, and its consequences too dangerous, to be ignored. No one reproaches the United States for failing in its obligation to the United Nations or the refugees when it provides 70 per cent. of the U.N.R.W.A. budget; yet in the circumstances some think the recent delivery of \$10m. worth of arms to Jordan is a waste of money. The danger for Jordan lies neither in the Syrian nor in the Israel armies; it lies in the refugee camps, and the use that may be made of their volatile occupants. Whatever money is to be spent, it is argued, should have a bearing on their welfare.

## HUMAN VICTIMS

Even if money is found and agreement obtained for Jordan's only possible programme for substantial development, the Yarmouk irrigation scheme, not more than 200,000 refugees can ever be settled in the Jordan valley. The remaining 300,000 in Jordan, and most of the 200,000 in Gaza, will have to go elsewhere; this dispersal is a task which U.N.R.W.A. officials believe will take at least 20 years. Thus, when the United Nations considers the U.N.R.W.A. budget, members should remember that, short of provoking a Malthusian upheaval by permitting the agency to expire, they must budget for a long-term programme.

They might start their discussions from the premise still held in the offices of U.N.R.W.A., but now, apparently, too often forgotten elsewhere, that, whatever cynicism and obstructiveness the Arabs may have shown since 1948, the refugees are the human victims of a great injustice and the reasonable cause of deep resentment. If that is lost sight of in the west, we may as well abandon the Middle East.

Pictures on page 16.



Name of Paper *The Canberra Times*File No. *181/4/4*Published at *Canberra, A.C.T.*Date *23rd September, 1957*

# Arab Refugees Still Waiting

N.E.

By WILTON WYNN, Associated Press correspondent in Cairo

A group of Arab refugees in a United Nations camp marched with banners in the air to the United Nations office. After shouting the customary slogans, they pelted the office with rocks. Police rushed in to restore order.

Word had got around the camp that Canada and the United States were ready to accept a limited number of Arab refugee immigrants. The refugees started throwing rocks in protest.

They preferred life in their tent camp, with its bitter cold in winter and burning heat in summer, with its hardships and meagre U.N. rations, to life in the United States. And all because they think one day they will return to their homes across the frontier in what now is the State of Israel.

Nearly 1,000,000 of them have waited in this way for nine years, ever since the Palestine war of 1948. How have they kept their hopes alive through these years of misery?

## Two Views

Their young firebrands have a ready answer — as soon as Gamal Abdel Nasser gets enough Russian arms, Arabs will strike at Israel and drive the hated people into the sea.

Among older and wiser Arab refugee heads, however, hope is couched in more peaceful terms. They count on the economic war being waged by the Arab States against Israel. They believe that if the Arabs persist long enough in their boycott, Israel at last will be compelled to permit Arab refugees to return to their homes.

Many of these refugees would rather see Arab leaders scrap their armies and give up the economic boycott.

This boycott has served to keep Israel cut off from the Arab world. There is no trade, no normal movement of persons back and forth, no telephone or cable communications between Israel and the Arab States. No mail moves back and forth.

The boycott dates back to before creation of the State of Israel. Alarmed by the influx of Jewish immigrants and capital into Palestine, Arabs launched a boycott of Jewish goods and services. The 1948 Palestine war and creation of Israel automatically eliminated trade between Arabs and Israel since they now were separated by a military frontier.

In 1950, the boycott became formalised in law. The Arab League established a boycott office and all Arab States passed a unified anti-Israel boycott law.

This law forbids Arabs to do business with persons or firms resident in Israel or "working for Israel's account and benefit." Arabs cannot do business with the following:

- Any companies or individuals who trade, interfere, or have agencies in Israel.

Arab States blacklist ships which enter Israeli ports on the same voyage in which they stop at Arab ports. (World tourist ships are excepted). Arabs also blacklist ships chartered by Israeli companies or organisations and ships which have carried material helpful to Israel militarily.

Blacklisted ships are denied loading and unloading facilities and supplies of water, fuel or foodstuffs in Arab ports.

Airlines whose planes land in Israel during Middle Eastern trips will be denied the right not only to land in Arab airports but also to fly over Arab territory.

At least one major airline has closed its offices in Israel under this pressure.

## Visa Trouble

In addition to this unified boycott law, individual Arab States have other ways of pressuring Israel. Egypt, for instance, forbids use of the Suez Canal by Israeli ships. This is done on the grounds that enemy ships cannot enter Egyptian territorial waters and does not fall within the scope of the regional Arab boycott.

This measure alone reportedly costs Israel some £5,000,000 yearly.

What was the trouble? Arab State will grant a visa to a foreigner if he carries an Israeli visa in his passport.

Some Arab States, like Jordan and Syria, forbid any foreigners of Jewish faith to enter their territories. They usually ask a baptismal certificate or

other documentary proof that the traveller is not Jewish.

Egypt and Lebanon, on the other hand, usually do not draw the line on religion in issuing visas.

## Highway Cut

In practical terms, this boycott causes no end of problems for persons trying to live normally in this area. There are hard-surfaced roads and a railroad from Cairo to Beirut, Lebanon, running across Israel, but you cannot use them. To reach Beirut you have to somehow circumvent Israel, by sea or by air.

Newsmen resident in the area have to choose whether they intend to cover from the Israeli or the Arab side. They cannot do both.

Many tourists visiting the Holy Land with Israeli visas can only see old Jerusalem and Bethlehem by looking across No Man's Land through binoculars. Most of the Holy Places are on the Arab side of the line.

Until recently, it was impossible to telephone Beirut, Damascus, or Amman from Cairo. Creation of Israel cut telephone communications between these Arab capitals.

## Hits Both

Before 1948, you could drive from Beirut to Jerusalem in two hours. Now it takes you 10 or 12 hours, because you have to drive through Syria and Jordan, to avoid touching Israeli territory.

All this, of course, has its adverse effects on Arab as well as Israeli economy. It cut off Jordan, for instance, from its normal Mediterranean sea outlets in Haifa and Jaffa.

However, the Arabs have lived with poverty and economic distress for centuries. It is hard for Westerners to understand the willingness with which Arabs have accepted these additional economic hardships in the hope of bringing Israel to its knees. On few other points has Arab opinion ever been so united.



Among older and wiser Arab refugee heads, however, hope is couched in more peaceful terms. They count on the economic war being waged by the Arab States against Israel. They believe that if the Arabs persist long enough in their boycott, Israel at last will be compelled to permit Arab refugees to return to their homes.

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In 1950, the boycott became formalised in law. The Arab League established a boycott office and all Arab States passed a unified anti-Israel boycott law.

This law forbids Arabs to do business with persons or firms resident in Israel or "working for Israel's account and benefit." Arabs cannot do business with the following:

- Any companies or establishments which have interests, branches, or agencies in Israel.
- Foreign companies which deal with Israel in any way, or which give technical assistance to Israel.
- Foreign companies which give the right to use their name to Israeli companies, or
- Foreign companies which hold shares in Israeli companies or industries.

#### Blacklists

Arab markets are closed to foreign companies dealing with Israel. The boycott office gives three months notice to such companies to close their branches in Israel. In case this is done, these companies will be given facilities to open new branches in Arab countries.

Some British petroleum distributing companies closed their Israeli branches recently in response to this pressure.

The unified law forbids export of Arab goods to countries which are known to have re-exported such goods to Israel.

done on the grounds that enemy ships cannot enter Egyptian territorial waters and does not fall within the scope of the regional Arab boycott. This measure alone reportedly costs Israel some £5,000,000 yearly.

What was the trouble? Arab State will grant a visa to a foreigner if he carries an Israeli visa in his passport.

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However, the Arabs have lived with poverty and economic distress for centuries. It is hard for Westerners to understand the willingness with which Arabs have accepted these additional economic hardships in the hope of bringing Israel to its knees. On few other points has Arab opinion ever been so united.



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD SAVINGRAM.**

**CONFIDENTIAL**

BH:VA

I. 13164

Sent: 16th September, 1957  
2210  
Rec'd: 17th September, 1957  
0900

FROM:

(Transmitted via leased channel)

Australian Embassy,  
WASHINGTON.

181/4/4

SAV. 372. CONFIDENTIAL.

Copy New York.

U.N.R.W.A.

The State Department (Ludlow) gave us the following  
on 12th September.

1. A decision had not yet been taken regarding the attitude which the United States Delegation to the General Assembly would adopt on this item. Implications for United States relations with the Arab states, particularly Jordan and Lebanon, and the latter states' relations with Syria and Egypt were delicate. Moreover until the impact of Syrian developments on United States policy in the Middle East could be seen more clearly it would be premature to decide firm refugee policy. However, it was likely that action along the general lines attempted at the last Assembly would be initiated by the United States. Even if the Administration could not go very far in this direction, it was incumbent upon it to conform with the rider attached by Congress this year in respect of United States contribution to U.N.R.W.A. i.e. "in determining whether or not to continue furnishing assistance to Palestine refugees in the Near East, the President shall take into account whether Israel and the Arab host Governments are taking steps towards re-settlement and repatriation of such refugees".
2. Since the last Assembly, relations between Egyptian and Syrian authorities and U.N.R.W.A. had been good. The Director's report would not contain any criticism of host Governments in this respect.
3. Labouisse did not appear to have finally made up his mind whether he wished to stay on as Director. Ludlow thought he might stay on if greater financial support was forthcoming for the Agency.

A/MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION

17th September, 1957.

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C&P

**CONFIDENTIAL**

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SECRET  
GUARD

181/4/4

12th September, 1957.

PALESTINE REFUGEES

THE ACTING SECRETARY  
(COPY TO MR. BRENNAN)

The Indian Ambassador to Egypt has made the personal suggestion to the Secretary that the coming session of the General Assembly should set up a committee to examine all aspects of the Palestine refugee problem and report to the 1958 session (relevant telegram is attached).

2. I think that there is merit in this suggestion. Clearly the United Nations should soon make a serious attempt to solve the refugee problem and a suitably composed committee to work in camera is probably the machinery which should be employed.

3. However, I doubt that the suggestion should be made at the coming session of the General Assembly because:-

- (a) at the present time the Middle East is in process of polarization following upon the new and direct interest in Middle East politics taken by the U.S.S.R. on the one hand and the United States on the other. This process is splitting Arab unity wide open and tending to make the Arab-Israel problem a secondary one. We should not do anything at this stage to unify the Arabs again and the Palestine problem is the one issue which can do this;
- (b) as this process of polarization develops and Jordan and the Lebanon become more and more independent on United States, a situation should develop in which it will be difficult for Jordan, the Lebanon and Iraq to resist pressure by the United States to obtain a solution of the refugee problem in so far as it concerns these three states (Jordan can never be a stable state until the refugees in Jordan are resettled);
- (c) to seek to find a solution of the refugee problem now would embarrass King Hussein of Jordan whose hold on his country is precarious. He has enough problems on his hands these days without being obliged to take a stand on this issue; at this time his attitude could only be unhelpful. Any other attitude would be to invite disaster for his throne;
- (d) an airing of the refugee problem would give Nasser an opportunity to assert his leadership of the Arab nationalists;
- (e) it would also give the U.S.S.R. another opportunity to show itself as the friend of the Arabs at a time when such an opportunity should, if possible, be denied. It may be as well to let the effects of recent United States policy in the Middle East sink in before affording the U.S.S.R. the opportunity.

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GUARD

4. If the present trend in the Middle East continues, I would think that a suggestion along the lines proposed by Jung might with profit be made at the 1958 session of the General Assembly (U.N.R.W.A.'s. mandate expires in 1960).

(J.C.G. KEVIN)  
Assistant Secretary

A.P. Renouf.  
Europe, Africa and Middle East Branch

SECRET  
GUARD



## EXTERNAL AFFAIRS.

**SECRET  
GUARD**

File No.....

Date. 10th September, 1957.

SUBJECT

PALESTINE REFUGEES

FOR MR. KEVIN.

I think the proposal made by Jung to the Secretary (see the attached telegram) has some merits and may well be the way in which the General Assembly should eventually tackle the refugee problem.

2. However, I would not favour consideration of the proposal at the forthcoming session of the General Assembly for the following reasons:-

- (a) At the present time, the Middle East is in process of polarization following upon the new and direct interest in Middle East politics taken by the U.S.S.R. on the one hand and the United States on the other. This process is splitting Arab unity wide open and tending to make the Arab-Israel problem a secondary one. We do not want to do anything at this stage to unify the Arabs again and the Palestine problem is the one issue which can do this.
- (b) As this process of polarization develops and Jordan and the Lebanon become more and more dependent on United States, a situation should develop in which it will be difficult for Jordan, the Lebanon and Iraq to resist pressure by the United States to obtain a solution of the refugee problem in so far as it concerns these three states (Jordan can never be a stable state until the refugees in Jordan are resettled).
- (c) To seek to find a solution of the refugee problem now would embarrass King Hussein of Jordan whose hold on his country is precarious. He has enough problems on his hands these days without being obliged to take a stand on this issue; at this time his attitude <sup>could</sup> only be unhelpful. Any other attitude would be to invite disaster for his throne.
- (d) An airing of the refugee problem would give Nasser an opportunity to assert his leadership of the Arab nationalists.
- (e) It would also give the U.S.S.R. another opportunity to show itself as the friend of the Arabs.

3. In my opinion, the proposal should be left in abeyance at least until the 1958 General Assembly.

A.P. Renouf  
Europe, Africa and Middle East Branch

**SECRET GUARD**



181/4/4  
SECRET

VA:HMD

DEPARTMENT OF EXTERNAL AFFAIRS.

T.12731

## INWARD CABLEGRAM.

Dated: 8th September, 1957  
1240  
Rec'd: 9th September, 1957  
0830

FROM:-

Australian High Commission,  
L O N D O N.2077. SECRET AND GUARD.

Plimsoll from Tange.

1. In Beirut, Malik asked me whether we maintained our attitude on Dutch New Guinea and I confirmed that we did and gave him the reasons:-

2. He is greatly concerned about Syria. When I asked his view about our conclusion that it would be undesirable at this Assembly to make moves towards settling the Palestine problem he was emphatic that anything should be done. The problem could wait without undue risk and he feared any moves which might make it difficult to curb Syria. He made no suggestions to be done and I doubt whether Lebanon will take any initiative on Syria.

3. Middleton showed me a report of his talk with Henderson (guard this) who seemed prepared to contemplate positive steps by the United States provided they were consistent with the United Nations Charter (i.e. they do not want another Suez situation in the United Nations). The discussions recognised the difficulty of establishing a justification for outside intervention unless the Syrians make a wrong move. The impression left by Henderson was that he was merely explaining the situation.

4. Middleton is greatly exercised over the financial crisis in U.N.W.R.A. and its imminent winding up. He regards as essential not merely the sustenance but also educational programme to stifle subversion and provide technical training.

5. Jung (Indian Ambassador to Egypt) is attending the Assembly and floated with me the idea (which he claims is his own) that the G.A. should establish a Committee to examine all aspects of refugee questions with the Governments concerned and report back in 1958. Although avowedly designed to solve the humanitarian problem he saw it as the first step towards solving Palestine questions. The purpose of the Committee would be to try to find the extent of concessions that Israel and Arabs would make. At least it could do no harm. I said I thought the difficulty would be that the Arabs would insert in enabling resolution. A passage requiring Israel to repatriate which would defeat the purpose.

6. I think the idea well worth study.

7. Middleton learned from Malik that the Arab League Meeting reached agreement only on a few United Nations matters (e.g. Malik's candidacy, support for Canada). Malik is expressing confidence in his prospects for Presidency.

A/MIN. & DEPT. E.A.  
P.M'S.-----  
6 groups omitted  
9th September, 1957.



181/4/4

6th September, 1957

The Australian Legation,  
TEL AVIV.

ARAB REFUGEES

I refer to your memorandum no. 314 of 24th July, 1957, in paragraphs 5 to 12 of which you discuss the question whether compensation for former Arab property in Israel should be individual or collective.

2. In reply to paragraph 12 of your memorandum, we are enclosing copies of the three most recent progress reports (Nos. 13, 14 and 15) of the Conciliation Commission. You will note that these reports include references to compensation and to the identification of Arab refugee property holdings in Israel.

*huf*  
(A.P. Renouf),  
for the Acting Secretary.





THIS PAGE IS REPRODUCED FROM A BADLY FADED OR ILLEGIBLE SOURCE.  
SCANNING THIS ITEM AT A HIGHER RESOLUTION WILL NOT IMPROVE ITS LEGIBILITY.

DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The Times*

File No. *181/4/4*

Published at *London*

Date *Sept 3-1957*

**Imperial and Foreign**

**ISRAEL HINT ON  
TO REFUGEES**

**BARGAIN OVER THE  
GAZA STRIP?**

FROM OUR CORRESPONDENT  
JERUSALEM (ISRAEL SIDE), SEPT 2  
Mrs. Meir, the Foreign Minister, said to-day that Israel might have some proposal to make about Arab refugees if that question were raised, other than as a budgetary matter at the forthcoming General Assembly of the United Nations. She gave no details of any such proposal, and no hint of any willingness on her Government's part to admit the return of a number of refugees to the territory now within the Israel frontiers.

She said that any proposal offering Israel control of the Gaza strip in return for an undertaking to absorb the refugees now in that area would be considered "in its merits". The Minister was answering questions at her luncheon of the Foreign Press Association in Jerusalem, and developments in Syria naturally provided most of the questions.

**STRONGER NOW**

Her Government was particularly concerned by the fact that the great Power which was giving arms to Syria was as anti-Israel in its policies and propaganda as Syria herself. Thus what was happening in Syria was to be taken more seriously than the instance when western Powers had been donors of armaments to Arab States.

When the Minister was asked why Israel protested so vehemently to-day against the supply of Soviet arms to Syria, she said that in 1955 against the supply of Czechoslovak arms to Egypt, she replied that, though Israel was still in need of arms, thanks to certain "friendly Powers," and to the booty captured in Sinai last autumn, she was much stronger now than in 1955.

Israel had confidence in her Army and its equipment and felt able to go forward with the "basic tasks of development and absorption."

However, the question whether Israel approved or disapproved of the Soviet proposal for a Middle East arms embargo brought the answer that such an embargo was of little use, since the regional arms balance had been hopelessly upset, as it had been by the Soviet Union. Mrs. Meir said that what was wanted was a diplomatic, wireless, and Press campaign in favour of Middle East peace, not a policy of creating tension while pleading for arms embargoes.

She believed in a Middle East of "free and independent peoples who needed liberating only from poverty and illiteracy."



DEPARTMENT OF EXTERNAL AFFAIRS  
**OUTWARD SAVINGRAM.**

O.10695

BH

Sent: 28th August, 1957.

TO:

ALL POSTS.  
SAVINGRAM.

181/4/4  
S

AP15. CONFIDENTIAL.

The United Nations General Assembly - Twelfth Session.

Forwarded separately as an Annex are preliminary views (bearing date 20th August, 1957) on the items of the provisional agenda for the Twelfth Session. Instructions on elections to the International Court of Justice, Hungary, Netherlands New Guinea and Middle East items will be sent separately as appropriate. These preliminary views may be used in discussions with officials of the Government to which you are accredited.

2. You should, however, use discretion in selecting the information which should be passed on. In particular we would draw your attention to the following aspects of policy in the attachment in the use of which you should exercise caution:-

Chinese Representation:

3. Countries which support the admission of Communist China should be told only that we will support a "moratorium" proposal. We would, however, be interested to hear if any consideration is being given to proposing a separate item on Chinese Representation.

General Committee.

4. You should not draw the attention of the Asians to the fact that they will have only three places on the General Committee if the present "slate" is maintained.

Security Council.

5. Please do not raise the question of the future of the "Philippines" seat.

ECOSOC Elections:

6. We would be interested to hear of any alternative Middle Eastern candidate to Egypt. You should not suggest that we would support a candidate from outside the Middle East.

Korea.

7. Do not raise the question of any "new approach" to the Korean problem.

New Members:

8. You should not reveal to Governments, other than old Commonwealth, that we might in some circumstances not oppose the admission of Outer Mongolia.

You should not suggest to Asian Governments that we are unenthusiastic about pressing the applications of South Korea and South Vietnam.

**CONFIDENTIAL**



CONFIDENTIAL

## OUTWARD SAVINGRAM.

C.

O.10695

(c) Korea and Vietnam.

A resolution of the 11th session endorsed the applications of the Republic of Korea and of South Vietnam, and asked the Security Council to reconsider them. The Security Council will probably take up these applications in early September after Malaya.

A Soviet vote is inevitable. We should support South Korea and South Vietnam in the Security Council, and vote for any resolution in the Assembly endorsing their applications and rejecting those of North Korea, North Vietnam and Outer Mongolia. (Our fears prior to the 11th Session that debate on South Vietnam's application might bring on an embarrassing debate on the Geneva Agreements proved to be exaggerated. In any case, the Security Council and the 12th Session would seem committed by the resolution of the 11th Session to act on South Korea's and South Vietnam's applications).

Item 26.U.N.R.W.A.

The report of U.N.R.W.A. has not yet been received. We have asked New York to try to get an advance copy. Matters which we are watching are -

- (i) developments in United States and United Kingdom thinking about some modification of the present attitude that refugees should be eligible to choose between repatriation and compensation. It seems to be unrealistic to suggest that repatriation could make any contribution to the solution of the refugee problem; though we recognise the far reaching political and social implications of its ultimate abandonment;
- (ii) the tendency which was developing last year for Egypt and possibly some other countries as well to interfere in the administration of the Agency's affairs;
- (iii) United States long term plans for U.N.R.W.A. (A suggestion was made last year that support for U.N.R.W.A. would be withdrawn after 1960. Simultaneously the United States would offer economic assistance to countries agreeing to resettle Arabs in their territories.)

Item 27.Report of U.N.K.R.A.

The report has not yet been received. We believe it will raise no controversial issues.

Item 28.S.U.N.F.E.D.

A report on the discussion of the S.U.N.F.E.D. proposals in ECO.SOC. has just been received. ECO.SOC has apparently decided to go forward with preparatory work for the establishment of S.U.N.F.E.D. notwithstanding the opposition of some major contributors (United States, United Kingdom, Canada oppose; France, Netherlands, U.S.S.R. support) in the hope that political pressure will force the major contributors to consent to participate in the Fund. It remains to be seen how the United States and the United Kingdom will react in the General Assembly to these developments. Australia has substantial reservations about S.U.N.F.E.D. We should continue our cautious exploration of the subject in close consultation with the United States

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS

CONFIDENTIAL

INWARD CABLEGRAM.

181/4/4

MMc:MS

I.11564

Dated: 16th August, 1957.  
1720  
Rec'd: 17th August, 1957.  
1030

(Transmitted via leased channel)

FROM:

Australian High Commission,  
O T " A W A.

191. CONFIDENTIAL.

Addressed Canberra 191, repeated Washington  
OTWA 31, Australian Mission to the United Nations, New York 31,  
and London (For External) Savingsgram 82.

Middle East.

Your telegram 265.

The Canadians agree on the need to avoid  
general debate on Palestine and with the suggestions you  
make for achieving this. They are still trying to determine  
what further action might be necessary.

The Canadians had previously been exploring  
the possibility of pressing the refugee problem at the next  
session. However, the Israelis apparently got wind of this  
and began to make firm preparations for such eventuality.  
Partly because of this and partly because of the present  
wide division in the Arab world the Canadians feel the  
atmosphere is not now favourable and have decided to drop  
the idea.

MIN. & DEPT. E.A.  
P.M.'s.

17th August, 1957.

SEC A/Ss L&T(DIV.5) UNO CR PAC&AM AM&SP S&SEA SA  
E.A.F&ME E AF&ME INF DL MT C&P

G

TEL AVI

CONFIDENTIAL



*M. White.*  
In reply quote NQ30.5

Memo. No. 321/57



181/4/4  
10 AUG 1957  
AUSTRALIAN LEGATION.  
TEL AVIV.

26th July, 1957.

The Secretary,  
Dept. of External Affairs,  
CANBERRA. A.C.T.

ARAB REFUGEES

Washington Savingram 263 reached me after my  
Memorandum No. 314 of 24th July had been written.

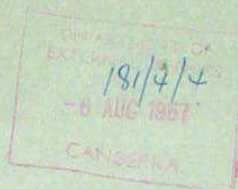
2. The hypothesis in paragraph 2(a) and (b) of the  
Savingram fits the general picture as we see it and I think  
it may be taken to add a detail or two to the estimation in  
paragraph 4 of my memorandum.

3. Reference to "Israeli announcements" in the  
Savingram may be a little misleading. Nothing has been said  
here over and above what my memoranda specify.

*B.C. Ballard*  
(B.C. Ballard)  
Minister.

*W.D.* *CR*





In reply quote No. 230.5

Memo. No. 314/57

AUSTRALIAN LEGATION.  
TEL AVIV.

24th July, 1957.

The Secretary,  
Dept. of External Affairs,  
CANBERRA. A.C.T.

ARAB REFUGEES

My Memo. No. 273 of 2nd July

The rash of press rumours about negotiations on the refugee problem has died down. In so far as they were detailed, they hinted at two plans: one, substantial resettlement in Iraq of those who are now in Jordan, and secondly a plan to purchase land in Cyrenaica from Italian landowners, which would be made available for refugees desiring to settle there. Talks on this latter proposal were said to have been held at Rome, and it was mentioned that a certain Mr. Yehoshua Palmon, an adviser on Arab affairs in the Prime Minister's Department, had gone to Rome for this purpose.

2. Official denials of inter-governmental negotiations for a wholesale settlement of the problem have been made and maintained, but there have been some tentative statements that something is going on. Thus, although Mr. Ben-Gurion said roundly in his press conference of 28th June that no talks were in progress, he apparently said in a television interview broadcast in England that negotiations had been going on between Israel and some refugees regarding resettlement, concerning which he said that he was not very hopeful of a solution, but that one should never give up hope. Similarly a member of the Ministry of Foreign Affairs has been brought to the point of not denying that some aspect of the matter has been discussed by someone, and a leading article has appeared in the "Jerusalem Post", which, as is known, is close to the Government and to the Mapai party.

3. The line taken by this article is that it is true that certain conversations have been carried on between Israel representatives and Arab personalities recently, but that conversations of this nature have been going on intermittently ever since the problem first arose. However, the scope of such conversations at the present time must be limited. Israel does not, and cannot, for security reasons, offer to readmit all who claim to be refugees. Further, whatever financial and political arrangements are finally made must be made collectively, both covering all who are recognized as refugees and also committing the Arab States.

4. I think that these expressions in the article are a faithful reflection of government policy. I infer from the phrases used above - "some refugees" and "Arab personalities" - that it is true that no inter-governmental conversations have been going on, with or without intermediaries, but that there has been contact with representatives of refugee groups; I am at a loss to suggest what their content and objectives might be - other than perhaps one or two individual deals - and friendly missions with whom I have discussed the matter are no better informed.

*Handwritten signatures and initials*



5. The reference in the article to collective arrangements raises a matter which I have not so far seen discussed, namely whether anyone contemplates that individual refugees should personally receive cash compensation for their former individual holdings - land, buildings, plantations - in Palestine, or whether the objective is to secure the payment of compensation by Israel to the government of the territories where the refugees are, to be dealt with by them in the interests of the refugees.

6. As at present informed, I would regard the former alternative as quite unrealistic. My understanding of the status, under Israel law, of the former Arab properties is that they have passed into or through some form of public or semi-public ownership by virtue of the combined operation of the Absentees' Property Law, 5719 (1950) and the Development Authority (Transfer of Property) Law, 5710 (1950).

7. The Absentees' Property Law defines an absentee as, *inter alia*, a Palestine citizen who left his ordinary place of residence in Palestine for a place outside Palestine before 1st September, 1948, or for a place in Palestine held at the time by forces which sought to prevent the establishment of the State of Israel or which fought against it after its establishment. (The word "Arab" does not appear in the Law from start to finish). The Act establishes a Custodianship Council for Absentees' Property under a chairman called the Custodian, and vests all Absentees' property in the Custodian, who is given the usual powers of management. The key to the future fate of the property is to be found in Section 19(a) which enables the Custodian to sell such property, or lease it for a period exceeding six years, to a Development Authority (to be established by the Knesset) at a price not less than the official value. The official value is determined by reference to property taxes payable under the Urban & Rural Property Tax Ordinances in force under the Mandate.

8. The Development Authority (Transfer of Property) Law, 5710 (1950) establishes a Development Authority which is authorized to acquire property in various ways and to develop it in many agricultural and industrial ways. The Law defines "land passing into public ownership" as non-urban land and such urban land as the government assigns for the housing of immigrants, popular housing, or development purposes. The Development Authority may not sell such land except to the State, the Jewish National Fund, an approved institution for the settlement of landless Arabs, or to a local authority.

9. The foregoing provisions taken together clearly show the route by which the former individually owned Arab properties find their way to public ownership for the purposes of the housing of immigrants, popular housing or development purposes; and this process has proceeded so far that it is unrealistic from the practical point of view to think that the omelette could ever be unscrambled, and that if by any chance a substantial number of the refugees were readmitted they could go back to their old homes and land. If, against all likelihood, they were readmitted, they would be something like refugees or displaced persons inside Israel itself. (Indeed there are some Arabs still in Israel who come within the letter of the description of "absentee" and whose lands were vested in the Custodian. Some 2000 of their claims have been settled, but 3000 still remain pending.)

10. I am prepared to believe that there is documentary evidence of the nature and extent of the individual holdings which go to make up the corpus of "absentees' property". Their rateable values at the date of the foundation of the State could presumably



APPROVED  
PERSONNEL  
MATTERS & MATTER  
2.

also be established, but I am extremely sceptical of the possibility of an agreed compensation value for all these plots being reached in the lifetime of anyone now living. I am fortified in this belief by the history of the Templars' properties.

11. If the foregoing is accepted as realistic, the remaining alternative is that the compensation payable by Israel should be a lump sum and payable to governments. It is my understanding that the Dulles proposals of August 1955 were made in this context.

12. I do not know to what extent, if any, the Palestine Conciliation Commission's activities extend to this field. We have no documentation on this at the Legation but if any is relevant I should be glad to receive it.

*Mr. Robertson*

*Aut-ple - if possible*  
*[Signature]*  
*7/6*

*B.C. Ballard*

(B.C. Ballard)  
Minister.



175/11/20/10  
181/4/4  
JGI/gw

CONFIDENTIAL

30th July, 1957.

MEMORANDUM NO. 903/57

The Secretary,  
Department of External Affairs,  
Canberra, A.C.T.

PALESTINE REFUGEES

We refer to our memorandum No. 816 of 27th June, 1957 concerning the above-mentioned subject.

2. We had a further discussion with the State Department (Ludlow, UN Adviser, Bureau of African, South Asian and Near Eastern Affairs) on 23rd July. Departmental thinking does not appear to have advanced much further. We have been assured that no decisions have been taken in regard to the handling of the refugees item at the Twelfth Assembly. Moreover, while there appears to be some substance in speculative press reports that the United States is undertaking a reappraisal of its policy in regard to a settlement of the problem, it would appear that a radical approach is not envisaged. However, Ludlow made a number of points which may be of interest:-

(a) In the State Department's estimate the possibility of Jordan and Lebanon taking a more cooperative attitude in respect of an overall solution of the refugee problem had not diminished.

(b) The State Department did not consider, however, that United States willingness to underwrite an arrangement for the compensation of the refugees was in itself sufficient to permit of a solution being reached. It was considered that it would be politically impossible for any of the host governments to acquiesce in the payment of compensation to the refugees until Israel had accepted in principle repatriation and/or compensation of the refugees.

(c) The prospects of Israel agreeing to this were not particularly good. Theoretically the US could endeavour to coerce Israel by threatening withdrawal of economic support. In practice, however, this probably was impossible primarily because Israel has secured private loans from many diverse but influential interests in this country. These interests would regard any withdrawal of US economic support for Israel as jeopardizing the prospect of repayment of their loans. In the last resort, the pressure that these latter groups can exert is more important than that exercised by Jewish voting blocs.

(d) The Department considered, however, that if a plan for compensation could be drawn up, Israel might be tempted to agree to accept the principle of repatriation on the grounds that in practice probably very few refugees would wish to exercise their rights of repatriation. Clearly, it would be to Israel's interest to get a solution of the refugee problem provided that such a solution was not obtained at the expense of the economic viability or internal security of the state.

/(e) The

S.A. & M.B. : for info.

Rev.

→ Mr White



(e) The Palestine Conciliation Commission's latest estimate of the value of abandoned Arab property was approximately \$460 million. This estimate did not take into account the loss of earnings from the property, but simply its value as a fixed asset. It did, however, provide in part for the increase in prices since 1948. Ideally, it would be desirable to apply the compensation money to the implementation of developmental schemes which would provide for the resettlement of the refugees. It was unlikely, however, that this would prove possible. The fact of the matter was that many of the leading spokesmen of the refugees (e.g. Dr. Tannous) were, on the whole, the largest property owners in Palestine. Because of this vested interest the refugees' leaders might be expected to resist any scheme which did not provide for individual compensation in proportion to the original investment of each refugee in Palestine. Considerable difficulties would probably arise in establishing title to the properties and no doubt the end result of this would be that the great bulk of the refugees would receive little or no compensation whatsoever. In the circumstances, it seemed probable that a parallel development plan would have to be drawn up.

(f) Ludlow was confident that Congress would agree to the US putting up a large proportion of the funds for compensation if that would mean a cessation of US refugee relief. (The provision by the US of funds for compensation would probably take the form of a loan to Israel). He did not think that Congress would agree to provide the money unless other countries also contributed. (In this connection Ludlow enquired if Australia would be willing to loan money for resettlement and if so how much, on the assumption that an initial amount of \$100 million would be provided by the US).

3. You will note that the State Department's description of the problem has many points of resemblance to the Canadian analysis reported to you by our Mission to the United Nations in their Savingsgram No. 23 of 17th July, 1957. We doubt, however, whether the US would consider it appropriate to take the initiative on this question in the General Assembly. It would seem that an essential preliminary step would be to secure the agreement of the parties through private diplomatic negotiations.

4. We are sending a copy of this memorandum to New York.

M.R. BOOKER  
Counsellor

J.C.



181/4/4

DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD SAVINGRAM.**

CONFIDENTIAL.

I.10213/4

Sent: 18th July, 1957.  
Rec'd: 25th July, 1957.

HP/BH

FROM:

Australian Mission to the United Nations,  
NEW YORK.

Sav 23. CONFIDENTIAL.

Repeated Washington Sav16, Ottawa Sav 194,  
London Sav 156, Paris Sav Telaviv 3.

Middle East Initiatives at the Twelfth Assembly.

1. Discussion is beginning here amongst leading Delegations regarding the possible handling of Middle East problems at the Twelfth regular session of the General Assembly. Such discussions have not yet got very far, but I feel it may be useful to inform you of some of the matters being considered here. Your comments would be very helpful in our preparatory work for the next session.
2. The first important point being considered is one of procedure, i.e. interpretation of Resolution 119(XI). Some Delegations (including our own) had felt that whether the Eleventh Session reconvened on Hungary or not, resolution 1119(XI) would entail the Eleventh Session reconvening, if only briefly before the outset of the Twelfth Session, to adjourn itself finally. We discussed this on 17th July with Mr. Cordier of the Secretariat who believes that the Eleventh Session will have to meet. He also believes it likely that before adjourning the Eleventh Session will pass items 66 and 67 on to the Twelfth Session. We have also discussed this with the United Kingdom and Netherlands Delegations. The Netherlands agrees with our view but Crossthwaite argues that Resolution 1119(XI) makes reconvening the Eleventh permissive but not mandatory. (Crossthwaite stressed that this was only a preliminary Mission view and that he lacked the advice of Evans, the United Kingdom Mission's legal advisor, who is on leave).
3. Assuming that item 66 will be passed to the Twelfth Session, there are of course various ways in which it might be handled. There are some here who feel that the Arabs will not wish to launch again a big offensive against the United Kingdom, France and Israel (if they did so presumably concentrating on "aggression" against Egypt, Aqaba and deployment of U.N.E.F). If the Arabs did not desire such debates it then might be possible to follow the line (which seems to attract the United Kingdom Delegation) of dealing with Middle Eastern matters this year as far as possible under their more technical aspects (e.g. U.N.E.F. costs and Canal clearance costs in the Fifth Committee, refugees in the Special Political Committee.)
4. On the other hand Murray (Canadian Charge) had some interesting views to offer on this at a lunch with Schiff (Netherlands Charge) and Hill on 10th July. Murray said it was quite illusory to think that we could avoid real discussion of Middle Eastern issues at the next session. He said that apart from the very considerable



INWARD SAVINGRAM. CONFIDENTIAL.

2. I.10213/4

Canadian involvement (which would mean that the Canadian Government would find it difficult not to take same action), the Scandinavian contributors to U.N.E.F. were already restive, both regarding the continuing financial implications of their participation and the fact that units of young Scandinavians were more or less indefinitely stationed at various points in the desert.

Murray believed that the Scandinavian delegations would be unwilling to accept continuation of their Governments' participation in U.N.E.F. unless their Governments were put in a position to hold out to their Parliaments and people some improvement in the general situation in the Middle East, which would point towards a time when their U.N.E.F. units could finally go home.

5. At the same lunch Schiff said that he had talked with Barco (United States Minister) on 9th July and although Barco had refused to discuss in detail Middle Eastern political issues his thinking had seemed to be concentrated on the economic aspects of Middle Eastern affairs and he had talked to Schiff in terms of offering a "gigantic bribe" to the Arab countries not the Palestine refugees, to create conditions conducive to a Middle Eastern settlement. (Schiff called us on 17th July to point to Mr. Dulles' statement at his press conference on 16th July in Washington that it may be that other countries can play a greater role in the (Palestine) situation than seemed likely at the time. It may be that the United States should not take such a prominent role as was then envisaged etc. Note: Schiff commented in the light of his discussion with Barco that the main United States concern seemed to be to divorce the Eisenhower doctrine from the bitterness surrounding the Palestine dispute).

6. Murray said that before the fall of the Liberal Government in Canada, Mr. Pearson had been planning for a new initiative on the Middle East at the Twelfth General Assembly, to be led by himself, mainly in association with Norway but strongly backed by the United States and by the Secretary-General's influence. Murray said Mr. Pearson's preliminary thinking had been that such an initiative should concentrate on two main problems.

(A) A Refugee Settlement, and

(B) Belligerency. The plan would have been to bring pressure upon Israel to accept in principle the idea of repatriation and compensation of Palestine refugees and then to count on the fact that the great majority of Palestine refugees would not now really want to return to Israel - particularly if a massive economic programme for Middle Eastern development were introduced, with United States backing which would at least make practical large scale refugee resettlement on a permanent basis in the Arab countries. Israel's part of the bargain would be the acceptance of repatriation and compensation in principle. - The Arabs, willingness openly to forswear belligerency with Israel (thus implying acceptance of Israel's continued existence in the Middle East). Murray said that things had not gone very far with this plan before the Liberals went out of office although Engen of Norway before his trip to Europe, from which he has not yet returned, had had some discussions here and also in Washington. However, Murray felt very doubtful whether the new Canadian Government would feel able to mount such an initiative this year when it was so new in office and its majority so small. The new Government also lacked an outstanding personality like Pearson (with his extraordinary United Nations experience and skill) to lead such an initiative in the Assembly. Murray said that departmentally Canadian officials were urging Mr. Diefenbaker to push



DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD SAVINGRAM.**

3. I.10213/4

ahead with this initiative but so far they had got nowhere.

7. We discussed the above in a very general way with Mr. Norman Armour of the United States Mission on 16th July. Armour referred to Mr. Dulles' Press Conference of 16th July and said he would try and give us some further comments but felt that the United States was not at this time in the summer likely to have any firm views to offer on the substance. He did feel however, that he might be able to give us some comments shortly on the procedural aspects, particularly the question of carrying over item 66 to the Twelfth Session.

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MIN. & DEPT. E.A.

25th July, 1957.



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD SAVINGRAM.**

CONFIDENTIAL

...VA

I. 9259

Sent: 25th June, 1957

Rec'd: 22nd July, 1957  
1600

FROM:

External Affairs Office,  
LONDON.

SAV. EX231. CONFIDENTIAL.

Palestine Refugees.

Following is text of telegram from United Kingdom Embassy, Tel Aviv, which we have sighted:-

"In the course of this conversation I asked the Minister for Foreign Affairs how she thought things were going generally in the Middle East and whether, for example, the recent developments in Jordan gave her any hope that the present deadlock could be broken.

Mrs. Meir said that she saw some progress in the checking of Soviet penetration and the isolation of Nasser. If we and the United States could persuade the Arabs that there must be peace in the Middle East if the Communists were to be effectively resisted, and that they must, therefore, cease to attack Israel at every opportunity, some long term progress would be possible. I asked what form this might take and she replied in the resettlement of refugees.

Mrs. Meir suggested that if Jordan asked for separate implementation of her part of the Jordan water scheme, this would resettle between 250,000 and 300,000 refugees. She was sure Israel would offer to compensate them for their land. Iraq needed manpower and could take the rest.

Mrs. Meir dismissed any suggestion that Israel could take the initiative. This would merely make the Arabs insatiable. If, however, a plan to solve the whole problem of refugees were embarked upon, Israel would be willing to accept a small number and compensate the rest. I asked how she felt about piece-meal solutions. She repeated that Israel could not take the initiative, but that the Jordan scheme she had outlined was obviously one possibility.

Mrs. Meir hoped there could be some new approach before the next General Assembly."

2. The United Kingdom Embassy, Tel Aviv, reports that the refugee question also came up in general discussion of Middle Eastern problems between Israel Government and Rockwell (Director designate of the Middle East Division of the State Department who is touring Middle East before taking up his appointment). Mrs. Meir spoke approximately on lines quoted above but Prime Minister was much tougher, refusing to contemplate

CONFIDENTIAL



- page 2 -

CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS  
1.9259

**INWARD SAVINGRAM.**

any action by Israel on refugees except as part of an overall settlement.

MIN. & DEPT. E.A.

3rd July, 1957.

SEC 4/Ss L&T(DIV.5) UN PAC&AM IM&SP S&SE/ SA  
E.A.F&ME E A.F&ME INF DL MT C&P

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CONFIDENTIAL



CONFIDENTIAL

DEPARTMENT OF EXTERNAL AFFAIRS.

HMD

INWARD SAVINGRAM. I.9951

Dated: 10th July, 1957  
Rec'd: 17th July, 1957  
0955

FROM:-

Australian Embassy,  
WASHINGTON.

SAV.263. CONFIDENTIAL.

Palestine Refugees.

You may have seen press reports ("New York Times", 10th July), that Israeli officials have recently held a series of private talks in Rome with representatives of Palestine refugees. In view of the State Department's earlier advice (our Savingram 242, memorandum No. 816/57) that Egyptian propaganda along these lines was without foundation, we checked the stories with the State Department (Waggoner). He assured us that the Israeli announcements were the first indications the United States had had that any kind of talks on refugees were taking place. The United States had received no information from Israel regarding the substance of the talks.

2. Waggoner offered the following comments:-

- (a) It was known that in the past there had been some talks arranged through the Vatican between private Jewish organisations, e.g. World Jewish Congress, and Refugee representatives.
- (b) It was possible that the recent talks fell into this category and were not, in fact, between officials of Israel and representatives of the Arab refugees. No doubt the talks had the official sanction of Israel, however.
- (c) It was improbable that talks of this nature could bring concrete results. In the first place the Department doubted very much whether important refugee leaders would dare negotiate with Israel - since if it became known that they had then their standing with the refugees would disappear. Secondly, even if some agreement could be reached between the refugees and Israel, this would have practical effects only if host Governments could be brought to accept agreement reached.
- (d) The fact that Israel had announced that the talks had been going on probably meant that they had not borne fruit. Once talks of this type became public knowledge it would be virtually impossible for the Arabs to depart from their previous stand on refugees.

MIN. & DEPT. E.A.A. (852/12/10)

17th July, 1957.

SEC 1/8s UNO PACAM AM&SP SASEL. S. EXFAME E AF&M INF DL  
M.T. C&P

G

TBL WIV WELLINGTON LONDON

CONFIDENTIAL

*M. Robertson*  
*Note for dec 4/56.*  
*17/7*



Name of Paper *The New York Times*  
 Published at *New York*

File No. *181/4/4*  
 Date *July 10 1957*

## ISRAEL CONSIDERS ARAB REFUGEE AID

Talks in Rome Are Said to  
Concern Resettlement  
of Palestine Exiles

By SETH S. KING

Special to The New York Times

JERUSALEM (Israeli Sector), July 9—Israeli officials have recently held a series of secret talks in Rome with private representatives of the Palestine Arab refugees. The discussions apparently concerned possible resettlement of some refugees in one of the Arab states.

According to informed sources here these refugees have abandoned hope of reclaiming their former lands in Israel. They want to leave the refugee camps and start their lives over again in another area.

Israeli officials have refused to reveal any details of the Rome talks beyond confirming that they have taken place.

A Foreign Office spokesman said only that the discussions were in no sense official negotiations and that no representatives of the Arab Governments had been involved in them.

At the same time, reports have reached here that small numbers of Palestine refugee families have already moved into Iraq to settle in new development areas there. These families were said to have had enough money to buy land and to pay their moving costs.

It was believed that the Rome talks covered possible Israeli contributions to the cost of resettling families who had owned land in what is now Israel and who would have a claim to payment for it.

Israel's official policy is to discourage any assumption that the refugees would be allowed to return to their former holdings, most of which have now become the property of the state. However, the Government has frequently said that it would contribute toward the cost of resettling the refugees.

An Israeli source today compared the Rome talks to the discussions that led in 1954 to the release of \$8,000,000 in refugee bank accounts left in Israel. In that instance, private refugee representatives made contact with Israeli officials. After prolonged secret meetings, arrangements were made to release the funds.

This action was carried out over the objections of some of the Arab states in which the refugee camps were situated. In some instances, the refugees were not permitted to file claims for their funds. In Jordan, some refugee leaders who had initiated the negotiations were imprisoned.

Some Israeli officials believe that the success of the Israeli invasion of Egypt and recent developments in Jordan have convinced many of the refugees that they have no chance of returning to Israel by force of arms.

It is believed that they could be resettled if arrangements could be made to pay their costs. Officials said there was no indication that any of the Arab states were willing to negotiate such arrangements.

There are now nearly a million Palestinian refugees living in camps in the Gaza Strip, Jordan, Syria, and Lebanon. They are fed and cared for by the United Nations. Most of the funds for this are contributed by the United States.

ME



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper The Times File No. 181/4/4  
Published at London Date July 10 1957

**ISRAEL RETICENT ON  
REFUGEE TALKS**

**ANXIETY TO SOLVE  
PROBLEM**

FROM OUR OWN CORRESPONDENT

ROME, JULY 9

A spokesman of the Israel Embassy has denied all knowledge of secret talks reported to have taken place in Rome last week between representatives of Israel, Jordan and Iraq on the resettlement of Arab refugees made homeless by the Arab-Israel war.

His comment does not mean that the talks may not have taken place. Rome is a convenient place for Middle Eastern diplomacy. That is partly why the Arab League is setting up an office here. The spokesman pointed out that officials often stopped in Rome on their way to other European capitals and to New York.

He said that the embassy had asked Tel Aviv for information on the subject, as some of the reports appeared to be based on remarks made by a Government spokesman there. His Government was anxious to solve the problem of the Arab refugees, but some of the Arab countries, led by Egypt, preferred to leave the refugees to their fate because they were a useful source of trouble and of anti-Israel feeling.

He did not feel that the split between Egypt and the Governments of Jordan and Iraq had yet gone far enough to warrant the opening of talks.



In reply quote No. 230.5

Memo. No. 273/57



AUSTRALIAN LEGATION,  
TEL AVIV.

2nd July, 1957.

The Secretary,  
Dept. of External Affairs,  
CANBERRA. A.C.T.

ARAB REFUGEES

My Memo. No. 268 of 27th June

I have now discussed the existence of these rumours with senior officers of the Ministry of Foreign Affairs, who assure me that there is nothing in them so far as Israel is concerned, and that Israel is not floating any proposals. The view of the Ministry is that the rumours represent what they consider obvious kite flying by Egypt.

2. Last Friday, 28th June, the Prime Minister held a press conference in the course of which he is quoted as saying "Unfortunately no talks have been taking place recently with the Arabs on this question". His idea of the best solution is to settle them in Iraq and Jordan. He repeated the familiar Israeli criticism that the Arab rulers dismissed all humanitarian feeling and considered the refugees only as a political weapon against Israel. When the Arab rulers were ready, he said, Israel would be prepared to assist the solution by providing compensation, "the benefits of our experience in absorbing refugees, and perhaps in other ways too". There is nothing new in this. Asked if Israel was ready to accept the return of some refugees, he declined to answer.

3. A question was asked obviously referring to the activities of Mr. Nahum Goldmann, referred to in paragraph 6 of my Memorandum No. 268. Mr. Ben-Gurion said "When the time comes, Israel representatives will negotiate with the Arabs. Dr. Goldmann may one day be a representative of Israel. He should settle here. He's a capable man".

*B.C. Ballard*

(B.C. Ballard)  
Minister.

*llh*

*CR*





DEPARTMENT OF  
EXTERNAL AFFAIRS  
18/4/4.  
- 9 JUN 1957  
CANBERRA

CONFIDENTIAL

In reply quote No. 230.5

Memo. No. 268/57

AUSTRALIAN LEGATION,  
TEL AVIV.

27th June, 1957.

The Secretary,  
Dept. of External Affairs,  
CANBERRA. A.C.T.

ARAB REFUGEES

Various rumours, some of which may have come to your attention, concerning plans for the resettlement of some Arab refugees, have been recently current in the Middle East. Though reported, somewhat imprecisely, in the Israel press, they seem for the most part to have originated in Egypt and Syria.

2. They speak of the following matters: secret talks in Rome (or Cyprus, according to some versions) between Israel and two pro-Western Arab states, a resettlement plan to be implemented principally in Iraq and Syria (or according to some sources, Jordan), Saudi Arabian agreement to a resettlement plan put forward by the U.S.A., and United States pressure on Israel to accept large numbers of the refugees in Israel. Outright denials that Israel is engaged in any negotiations of the foregoing nature have been made daily in response to press enquiries.

3. To the foregoing reports, originating outside Israel, may be added recent observations in the "Jerusalem Post" on the refugee problem, attributed to "official circles in Jerusalem". These speak of a "growing consciousness" in Jordan and Iraq of the need to solve the refugee problem, said to have been observed by unspecified travellers reaching Israel, who claim to be able to confirm that there was now in those countries a greater willingness than ever before to give the refugees a permanent home. In what looks like a <sup>ref</sup> special piece prepared by the Ministry of Foreign Affairs, reference is made to the contemplated end in 1960 of the U.N.R.W.A. programme, to Israel's past ~~appears~~ to take in "a certain number" of refugees, and the fact that Jordan has recently found that the refugees as a whole can be an internal political hazard instead of a stick to beat Israel with.

4. So far as the United States appears in these reports, we have discussed them with an officer of the United States Embassy who states that the Embassy has no knowledge of any current talks on the refugee problem. He did emphasize, however, that negotiations were not infrequently conducted between the State Department and foreign governments without the embassies in the countries concerned being informed. It was his opinion that the refugee question was probably being discussed between the United States, the United Kingdom, and France, and that possibly some feelers had been put out independently to both sides, but that nothing had happened recently that might be considered an advance towards a solution of the problem.

5. A Reuter message from Washington dated 24th June quoted Mr. Lincoln White of the State Department as having described as "self-serving propaganda" reports that the United States was involved in a plot with Israel and certain pro-Western Arab states

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530-2

affecting Arab refugees. Asked whose interests the propaganda helped, he is reported as having replied "it is serving the interests of the location in which the newspapers are published".

6. Apart from the obvious aim of the Egyptian and Syrian Governments to spread dissension among their adversaries in the Arab world, the officer suggested another interesting basis for the propaganda on this subject emanating from these two countries. Mr. Nahum Goldmann, an American, and President of the World Jewish Congress and the World Zionist Organization, is known to be an exceedingly ambitious man, who sees himself as a future prime minister of Israel. He realizes that transferring his domicile to Israel and adopting Israel nationality would not be sufficient to make him acceptable as a prime minister to the electorate here, but he believes that he could overcome the disability of recent arrival if he could achieve some resounding success in improving Israel's relations with her neighbours, in contrast to the deadlock that has existed during the past nine years. Apparently with this end in view he engaged last year in correspondence with Dr. Malik, the Lebanese Foreign Minister. The Sinai campaign put an end to this exchange, and it is of interest that, unlike other Jewish leaders of the Diaspora, Goldmann is known to have privately criticized the Sinai campaign as a great blunder on the part of the Israel Government. This is said to have added to the strained relations between him and Mr. Ben-Gurion. No reference to this contact between Goldmann and Malik has been made by the Egyptian and Syrian commentators, but it may form part of the basis of their allegations.

7. According to another recent rumour the United States has been pressing Israel to take back 250,000 Arab refugees. This has been denied by the Ministry of Foreign Affairs, but the "Jerusalem Post", which is considered to be very close to the Ministry, has on several occasions recently stated that "Israel is on record as saying that she would be prepared to take in a certain number of refugees". During our discussion at the American Embassy we were informed confidentially that a very reliable source had stated that Mr. Ben-Gurion himself had said that not a single Arab refugee would be permitted to return. This is no doubt a rhetorical exaggeration as exchanges under the family reunion scheme are taking place weekly at Ras-en-Naqura on the Lebanese border, but its significance in relation to the problem as a whole is clear. The reasons given by Mr. Ben-Gurion for this stand are that Israel will have enough problems for years to come in absorbing all the Jewish immigrants, and that, apart from political objections, it would be economically impossible to take back any Arabs.

*B.C. Ballard*

(B.C. Ballard)  
Minister.

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD SAVINGRAM.**

**CONFIDENTIAL**

...:VA

I. 9259

Sent: 25th June, 1957

Rec'd: <sup>3rd</sup> ~~25th~~ July, 1957  
1600

181/4/4.

FROM:

External Affairs Office,  
LONDON.

SAV. EX231. CONFIDENTIAL.

Palestine Refugees.

Following is text of telegram from United Kingdom Embassy, Tel Aviv, which we have sighted:-

"In the course of this conversation I asked the Minister for Foreign Affairs how she thought things were going generally in the Middle East and whether, for example, the recent developments in Jordan gave her any hope that the present deadlock could be broken.

Mrs. Meir said that she saw some progress in the checking of Soviet penetration and the isolation of Nasser. If we and the United States could persuade the Arabs that there must be peace in the Middle East if the Communists were to be effectively resisted, and that they must, therefore, cease to attack Israel at every opportunity, some long term progress would be possible. I asked what form this might take and she replied in the resettlement of refugees.

Mrs. Meir suggested that if Jordan asked for separate implementation of her part of the Jordan water scheme, this would resettle between 250,000 and 300,000 refugees. She was sure Israel would offer to compensate them for their land. Iraq needed manpower and could take the rest.

Mrs. Meir dismissed any suggestion that Israel could take the initiative. This would merely make the Arabs insatiable. If, however, a plan to solve the whole problem of refugees were embarked upon, Israel would be willing to accept a small number and compensate the rest. I asked how she felt about piece-meal solutions. She repeated that Israel could not take the initiative, but that the Jordan scheme she had outlined was obviously one possibility.

Mrs. Meir hoped there could be some new approach before the next General Assembly."

2. The United Kingdom Embassy, Tel Aviv, reports that the refugee question also came up in general discussion of Middle Eastern problems between Israel Government and Rockwell (Director designate of the Middle East Division of the State Department who is touring Middle East before taking up his appointment). Mrs. Meir spoke approximately on lines quoted above but Prime Minister was much tougher, refusing to contemplate

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DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD SAVINGRAM.** **CONFIDENTIAL**

I.9259

any action by Israel on refugees except as part of an overall settlement.

MIN. & DEPT. E.A.

3rd July, 1957.

SEC A/Ss L&T(DIV.5) UN P&C&AM AM&SP S&SE/L SA  
E.A.F&ME E A.F&ME INF DL MT C&P

G

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *The New York Times*  
Published at *New York*

File No. *181/4/4*  
Date *June 29 1957*

ME

# **BEN-GURION FIRM ON REFUGEE ISSUE**

Opposing Partial Return of  
Arabs, He Urges Resettling  
on Land in Iraq and Syria

By SETH S. KING

Special to The New York Times

TEL AVIV, Israel, June 28—

Premier David Ben-Gurion said today it was not logical to ask Israel how many of the 1,000,000 Arab refugees from Palestine she was now willing to take back.

He declared that the only possible solution was to resettle them in Iraq and Syria, where he said large tracts of fertile land were available.

If it is accepted that it is not possible for Israel to repatriate all of those who fled during the 1948 fighting, then it is not logical to ask what part of them should now be allowed to return, he asserted.

Mr. Ben-Gurion said he believed these Arabs were just like Jews in preferring to live among their own people and under their own government.

"If there is a possibility of this then, really, why should we deprive a number of them of that chance?" he asked.

The Israeli Premier made these remarks in answering questions during one of his rare meetings with correspondents here.

He said Israel had not as yet been asked by anyone to reopen discussions on the refugee problem.

"But in our opinion the only possible, practical and just solution for the Arab refugees is to resettle them in the underpopulated, naturally rich countries of Iraq and Syria, among their own people and under an Arab Government," he declared.

The Arab leaders, he said, do not regard these unfortunate people as human beings but only as a weapon with which to destroy Israel.

Israel is ready to assist in resettling these refugees with "every means she possesses," Mr. Ben-Gurion declared.

When a reporter asked how many refugees would be permitted to return, the Premier replied:

...The crowd was a distinguished  
...including many other lead-  
...of the United States Gov-  
...ment and the Ambassadors  
...of Saudi Arabia, Afghanistan,  
...Egypt, Indonesia, Iran, Iraq,  
...Jordan, Libya, Morocco, Pakis-  
...tan, Sudan, Syria, Tunisia, Tur-  
...key and Yemen.  
...For many, the high point came dur-  
...when the President, in the firm-  
...dignified gesture of respect, re-  
...moved his shoes before a brief hon-  
...ored inspection tour of the prayer  
...area.



181/4/4

Memorandum No. 816

27th June, 1957.

CONFIDENTIAL

The Secretary,  
Department of External Affairs,  
CANBERRA, A.C.T.

PALESTINE REFUGEES

We refer to our Savingram No. 215 of 13th June, 1957,  
concerning the abovementioned subject.

2. You will have noted that at his Press Conference on the 25th June, Mr. Dulles was asked about reports that the United States was considering, together with friendly governments, new means of solving the Arab refugee problem. The Secretary of State replied that he was not aware of any such plans and that the United States position continued to be as described in his speech of August, 1955. In response to a further question, i.e. that the reported discussions were not with the Arab Countries, or with Israel, but with other friendly nations interested in this problem, Mr. Dulles repeated his statement that he was not aware of any concrete developments along these lines. He added that the United States hoped that this great "humanitarian problem" would be solved, and that he very much regretted that Egypt, by its propaganda, should be putting out a "completely false story which seems to have no purpose other than to make it more difficult to solve the problem". Finally Mr. Dulles conceded that discussions might be going on between Ambassador Lodge and Mr. Hammarskjöld, although he himself did not know anything about them.

3. The first suggestion that the United States was about to take some new initiative on the refugee question appears to have been initiated by the Associated Press. Moreover several journalists have implied to us that the Administration has radical new plans for a solution of this problem. However, the State Department (Ludlow, United Nations Adviser to the Bureau of African Near Eastern and South Asian Affairs, who is primarily concerned with the formulation of United States policy on the refugee question) assured us on 24th June, that the United States does not have in mind any major new initiative on this question - at least in the sense of trying to bring about a fundamental solution. As we reported in our Savingram under reference, the main concern of the United States at the present time is the difficult financial situation of UNRWA and the related steps which will have to be taken when the Agency's mandate expires in 1960. (We have not yet had an opportunity to establish whether there have been more than routine talks between Mr. Lodge and Mr. Hammarskjöld, but we shall do so at the earliest opportunity).

4. In the face of State Department denials we can only assume that the Director of UNRWA is of the main sources of the great deal of smoke being generated on this question.

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10/7

*Handwritten:* Red



Ludlow has told us that Labouisse is making very strong lobbying efforts with Congressmen in order to get them to exert pressure on the administration for an increase in the United States contribution to UNRWA over and above the 70% limitation at present imposed (Labouisse maintains that the Administration is working against its own Middle East policy in acquiescing in a reduction in UNRWA's activities). Labouisse has also been talking to the press and has succeeded in getting editorials in the New York Herald Tribune and New York Times. We attach, for your information, the text of an editorial which appeared in the New York Times on 23rd June. You will note that the editorial concluded by stating that "this nation ought to continue to do all that it has done and a little more. This is one way of proving our real friendship for the human beings in the Arab world, regardless of what we think of some of their politicians".

5. According to Ludlow the Administration has now virtually decided that it would be unwise for it to increase its contribution to UNRWA and was now thinking in terms of taking over some of the Agency's responsibilities in Jordan. It would not, of course, wish to assist directly in the care and maintenance of the refugees. However, the United States might be prepared to sustain the vocational education programme and the normal primary and secondary education system of Jordan. As you are aware these services are largely conducted by the Jordanian authorities even when the facilities are provided primarily for the refugees. UNRWA's role is to provide financial support to the Jordan Government, in proportion to the number of refugees taking advantage of the facilities. Accordingly, if the United States gave financial assistance to education in Jordan its action would relieve UNRWA of a considerable financial burden. At the same time the United States would not be involved too directly or too intimately in the support of the refugees. However, a decision has not yet been taken, nor will it be until after Congress has been consulted. However, formal Congressional sanction would not be sought unless Congressional leaders insisted on this.

6. In our Savingsgram No. 242 of 25th June we stated that the Office of Near Eastern Affairs interpreted the recent Egyptian propaganda campaign in respect of the refugees as being designed to bolster Egypt's position in the Middle East and undermine the position of pro-Western Governments in the area. While Ludlow shared this hypothesis he considered that the Egyptians are also motivated by a desire to forestall action by the United States at the next General Assembly along the lines attempted at the 11th Session.

7. While it remains correct, as stated in our Savingsgram No. 215 that the State Department is not giving a great deal of thought to the attitude its delegation will take at the 12th Session it appears to be thinking along the following lines. If it can be arranged that the pledging conference should take place before the special Political Committee takes up the refugee item - and this is likely - the State Department has in mind that when announcing their contributions Western Governments might state that payment of their contributions was conditional on the host Governments taking steps to assume some responsibility for the refugees, having regard to the fact that the Agency's mandate will terminate in 1960. The



Department at present considers that there is some prospect that Jordan and possibly Lebanon and Iraq would be prepared to concur in conditional contributions. If this should occur Egypt and Syria would of course be placed in an awkward tactical situation. If the pledging conference took place before committee consideration of the refugee item, Egyptian and Syrian opposition could not be particularly effective. The Committee's hands would be tied since the total resources available to UNRWA would already be determined and the conditions governing their expenditure laid down. In these circumstances Egypt and Syria would have to be careful not to get themselves into a position where the continuance of UNRWA's activities in the Gaza Strip and Syria might be endangered.

8. Clearly, Egypt's current intensive propaganda campaign alleging that there is "an American Plot" to re-settle refugees outside Israel, may make it impossible to proceed with the contemplated tactics. Ludlow is concerned that Egyptian propaganda may make it politically impossible for Jordan to concur in the conditional payment of contributions. While Ludlow considered that of late Jordan had taken an increasingly realistic view of the refugee problem he doubted whether Jordan would be able to sustain such a view in the face of strong Egyptian and Syrian pressure. Moreover, because of the changed circumstances in the area the United States would find it even more difficult than was the case last year to exert pressure on Jordan. If the United States placed too much pressure on Jordan in respect of the refugee question, it might defeat its own major policy objective, i.e. preservation of the integrity of Jordan and the position of King Hussein. Nevertheless, Ludlow was hopeful that since the Egyptians had launched their campaign so soon before the start of the 11th Session its impact might wane by the time the United Nations took up this matter.

9. You will appreciate that the foregoing in no way represents State Department policy and is intended merely to illustrate the way in which it is currently looking at the problem (Ludlow stated that this year the Department intended to initiate consultations with friendly governments on policy and tactics in advance of the 11th Session). It is clear, however, that the Department is firmly convinced that even though the Agency may have to be continued in some form after 1960, its mandate will have to be less embracing and the host governments will have to assume greater responsibilities than they do at present. In this connection Ludlow pointed out that the fact that the Senate Foreign Relations Committee in its report on the Mutual Security Programme for the first time attached a rider in respect of the United States Contribution to UNRWA indicated the trend of Congressional thinking (our memorandum 771/57 refers). It was not realistic, he said, to assume that the United States would be prepared to support UNRWA for an indefinite period in the way that it had been doing.

10. In discussing this subject further with the State Department it would be helpful to have some indication of your own preliminary thinking.

J.C. INGRAM  
Second Secretary.



Name of Paper

*The Manchester Guardian*

File No. 181/4/4

Published at

Date

June 27 1957

Thursday, June 27, 1957

THE MANCHESTER GUARDIAN WEEKLY

Page 5

H.E.

## FUNDS FOR THE ARAB REFUGEES

By Michael Adams

"If we have not received substantial new pledges and payments by the end of June, we shall have to stop operating shortly thereafter, or to cut out whole categories of services." In these words, spoken to the Special Political Committee of the United Nations, the director of UNRWA, (the United Nations Relief and Works Agency for Palestine Refugees) foretold in February the financial crisis which now confronts the agency. Earlier this month, since the "new pledges and payments" had not been forthcoming, Mr Labouisse left his headquarters in Beirut to make a tour through North America and Western Europe, in the course of which he is discussing UNRWA's financial situation with Government leaders.

Already UNRWA has been forced by lack of funds to cut out all but the most essential of its services to the refugees. Among the casualties are schemes for improved housing, for vocational training, for grants designed to make small farmers self-supporting, for providing clothing for the children under sixteen, who to-day comprise about one half of the 924,000 registered refugees. Apart from a small number of rehabilitation schemes which are still operating through capital expenditure (and which cannot be continued beyond the end of this year unless new capital is provided) the effect of these cuts will be to limit UNRWA's activity to the provision of basic relief for the refugees—to supplying food, shelter, and health services to those who otherwise would have no means of support whatsoever. And even these minimal services are threatened unless Mr Labouisse is able immediately to raise the \$13 millions he needs to balance his relief budget.

That these services are minimal can be appreciated from the agency's statistics, even without the painful experience of a visit to the refugee camps scattered through the Arab world. In providing relief, as distinct from any attempt at rehabilitation, UNRWA spends \$2 and eleven cents on each refugee each month, which works out at exactly sixpence a day—not an extravagant sum to keep a human being alive and under some sort of cover and to protect him against the epidemics which, without UNRWA, would surely have decimated the refugee population. The ration of food distributed to the refugees consists mainly of flour, with small amounts

of rice, sugar, beans, and fats; it amounts in all to 1,500 calories a day, and—as the director told the United Nations Political Committee—"it is not a very appetising diet."

In considering the handicaps under which UNRWA has been operating for seven years, it is impossible to ignore the political factors, or to avoid the conclusion that the attitude of the Arab Governments has been unhelpful, and often actively obstructive. Of the members of the Arab League, only Saudi Arabia makes any contribution in cash or material supplies, though Egypt provides valuable facilities for the transport of supplies through Port Said to the Gaza strip, facilities which are worth about \$350,000 a year to UNRWA. Jordan, which has far the largest number of refugees within its borders, pays for the maintenance of the camp buildings in Jordan; Syria provides hospital services for refugees at the State's expense; the Lebanon provides without charge the headquarters buildings for UNRWA in Beirut; Iraq makes no contribution at all, except that the trickle of refugees who obtain scholarships to Iraqi universities pay no fees. From Kuwait, Bahrain, and Qatar come minimal contributions from time to time. Against this,

UNRWA has had to put up with varying degrees of public and governmental hostility in Jordan, Egypt and (most seriously in recent months) Syria, which have ranged from destruction of stores and equipment to the arrest and expulsion of UNRWA officials on obviously insincere charges.

This obstructive attitude to the work of the agency is illogical, but far from incomprehensible. Partly to cover up their own ignoble part in the Palestine debacle, but also with a wider justification, the Arabs have always taken the view that the refugees were the special responsibility of the United Nations, whom the Arab Governments blame for the creation of Israel and the expulsion of the refugees. And if this point of view is challenged, the Arabs have a far stronger case in claiming that until the General Assembly can enforce its ruling of December 11, 1948, it must face the consequences. That ruling, the famous resolution 184—which has been a central factor in the Middle Eastern crisis ever since—laid down "that refugees wishing to return to their homes and live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those not wishing to return."

That resolution has never been

carried out, and it never will be except as part of a general Arab-Israeli settlement (which for the moment the Arabs will not consider, and which, by their present disunity, they are in no position to negotiate). The General Assembly's next move in the matter of the refugees was the creation of UNRWA in 1949-50.

Undoubtedly many of the delegates to the United Nations hoped that time would solve the problem, that the refugees would gradually be absorbed by the countries which had given them refuge, that the Arab Governments would abandon their heretofore winning restitution of compensation from Israel. This has not happened and the director of UNRWA—who should know better than anyone—emphasised this to the United Nations Political Committee in February. But until an Arab-Israeli settlement can be reached the refugees have still to be provided for, and whether we like it or not, the United Nations have long ago accepted responsibility for them, and cannot now disown them. In effect they are the charges of the West, since neither the Soviet Union (in spite of its new pose as the protector of the Arabs) nor any other Communist country except Yugoslavia has ever made the smallest contribution to UNRWA. It is to the West that the director of UNRWA is now turning once again for prompt and generous help; and it is in the interests not only of the Arab refugees but of the whole world that his appeal should be met.





*Orig on 857/12/5*

CONFIDENTIAL

In reply quote No. 230.10

Memo. No. 267/57

AUSTRALIAN LEGATION,  
TEL AVIV.

27th June, 1957.

*181/4/4*

The Secretary,  
Dept. of External Affairs,  
CANBERRA. A.C.T.

JOHNSTON PLAN

The United States Assistant Secretary of State for Near Eastern Affairs, Mr. Stuart Rockwell, has been visiting American embassies in several Middle East countries on his way back to Washington after attending the meeting of the Baghdad Pact Council in Karachi.

2. It was reported in the press that during a discussion in Jerusalem between him and the Israel Minister of Foreign Affairs, Mrs. Golda Meir, it was suggested to him that, in the absence of overall agreement on the Johnston Plan for the utilization of the waters of the River Jordan, each part of the Plan might be implemented separately if the country concerned was agreeable. This was a not-very-subtle hint that Israel would like American assistance to go ahead with her Jordan-water project without the participation of the neighbouring Arab states. Mr. Rockwell's reply was said to have been that the State Department had no intention now of putting the Johnston Plan into effect because the time was not regarded as propitious.

3. Since one of the main aims of the Johnston Plan is to assist in the settlement of the Arab refugees in the neighbouring countries there would be no point in adopting Mrs. Meir's suggestion. I am informed by an American Embassy official that, while the United States authorities do not wish to give any grounds for belief that they have lost interest in supporting the Plan, they would certainly not be prepared to implement any part of it until some progress had been made on the refugee question.

(Sgd.) T. V. HOLLAND

(T.V. Holland)  
Second Secretary.

*Middle East*  
*To return*

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper Daily Wireless Bulletin File No. 181/4/4  
Published at Sydney Date 26/6/57

ME

ME. / ARAB REFUGEES

Q. MR. SECRETARY, THERE IS A REPORT THAT THE UNITED STATES IS CONSIDERING, TOGETHER WITH OTHER FRIENDLY GOVERNMENTS, A NEW INTERNATIONAL MOVEMENT TO SOLVE THE ARAB REFUGEE PROBLEM. WOULD YOU CARE TO COMMENT ON THAT?

A. THERE IS NO SUCH NEW MOVEMENT UNDER WAY THAT I AM AWARE OF. THE UNITED STATES POSITION ON THAT SUBJECT CONTINUES TO BE WHAT IT WAS AS DESCRIBED IN MY SPEECH OF AUGUST 1955. UNHAPPILY, IT HAS NOT SEEMED PRACTICAL TO MOVE ALONG THOSE LINES, AND I AM NOT AWARE OF ANY PRESENT PLANS IN THAT RESPECT.

Q. WELL, THIS IS NOT WITH ARAB OR ISRAEL COUNTRIES BUT WITH OTHER FRIENDLY NATIONS WHO WERE INTERESTED IN PEACE IN THE MIDDLE EAST. AND THERE WAS A REPORT THAT MR. LODGE HAD BEEN DISCUSSING THIS SUBJECT WITH THE OTHER FRIENDLY NATIONS, IN THE HOPE THAT THEY MIGHT MAKE A PLAN WHICH WOULD BE SATISFACTORY TO BOTH ARAB COUNTRIES AND ISRAEL.

A. WELL, I'M NOT AWARE OF ANYTHING CONCRETE ALONG THOSE LINES. NATURALLY, THAT IS A GREAT HUMANITARIAN PROBLEM WHICH WE WOULD LIKE TO SEE SOLVED. AND WE REGRET VERY MUCH AT THIS JUNCTURE EGYPTIAN PROPAGANDA SHOULD PUT OUT A COMPLETELY FALSE STORY WHICH SEEMS TO HAVE NO PURPOSE OTHER THAN TO MAKE IT MORE DIFFICULT TO SOLVE THE PROBLEM.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of paper *Daily Wireless Bulletin* File No. *181/4/4*  
 Published at *Sydney* Date *26/6/57*

*ME*

*ME* Q. MR. SECRETARY, TO RETURN TO THE QUESTION OF ARAB REFUGEES FOR A MOMENT, SOME OF US HAVE BEEN GIVEN TO UNDERSTAND THAT MR. LODGE AND MR. HAMMARSKJOLD HAVE BEEN DISCUSSING INFORMALLY WITH WESTERN COUNTRIES MAINLY TO DETERMINE WHETHER THE TIME IS RIPE TO MAKE A NEW EFFORT TO SOLVE THIS LONG-STANDING PROBLEM, AND IT IS OUR UNDERSTANDING THAT NEITHER THE ARAB COUNTRIES NOR ISRAEL HAVE BEEN BROUGHT INTO THE PHASE OF THE DISCUSSIONS AT THIS POINT, AND THAT OUR RENEWED, INFORMAL ATTENTION TO THIS STEMS PARTLY FROM THE RECOMMENDATIONS THAT VICE PRESIDENT NIXON MADE AFTER HIS AFRICAN TRIP -- NAMELY, THAT A NEW AND REDOUBLED EFFORT BE MADE TO ATTACK THIS PROBLEM. NOW, IS IT CORRECT TO INFER FROM YOUR ANSWERS THAT YOU KNOW NOTHING AT ALL ABOUT ANY INFORMAL SUCHTALKS WHICH MIGHT BE GOING ON IN NEW YORK.

A. NO. I DO NOT KNOW OF SUCH DISCUSSIONS, ALTHOUGH THAT DOES NOT PRECLUDE THEIR HAVING TAKEN PLACE. IT WOULD BE QUITE IN LINE WITH OUR STANDING POLICY TO EXPLORE THAT PROPOSITION AT ANY TIME. THAT IS A VERY UNHAPPY AND SERIOUS PROBLEM. I HAD A TALK HERE, I GUESS IT WAS ON FRIDAY, WITH MR. LABOUSSE, WHO IS THE UNITED NATIONS REPRESENTATIVE IN CHARGE OF THESE REFUGEES, AND IT IS REALLY A TRAGIC PROBLEM. IT IS OUR STANDING POLICY TO TAKE ADVANTAGE OF ANY OPPORTUNITY TO SOLVE IT. SO THAT IF AMBASSADOR LODGE DID HAVE TALKS WITH MR. HAMMARSKJOLD ABOUT THIS, THAT WOULD BE QUITE WITHIN OUR POLICY, BUT I DO NOT MYSELF HAPPEN TO KNOW ANYTHING ABOUT SUCH A THING.

Q. THANK YOU, SIR.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper Summary of World Broadcasts

File No. 181/4/4

Published at .....

Date 25 June 1957

ANA Jordanian and Iraqi references to refugee problem ANA reported that an official Jordanian spokesman had said on 23.6.57 that his Government had no knowledge of the reported offer for talks on the Palestinian refugee question; his Government adhered to the policy that Jordan would never agree to a discussion on the Palestine issue "except in agreement with the Arab States as a whole". ANA added that an official Iraqi source had said that Iraq demanded the return of the refugees to their own country; the refugee problem was an inseparable part of the Palestine issue, and no Arab Government could accept solutions "prejudicial to the Arab refugees' right to return to their usurped country".



Name of Paper

The Times

File No.

181/4/4.

Printed

MS London

Date

25/6/57

M.E

## ARAB DISCORD OVER FATE OF PALESTINE REFUGEES

### REPORTED U.S. PLAN ATTACKED

From Our Special Correspondent

BEIRUT, JUNE 24

Recent reports in the Beirut Press that Saudi Arabia had agreed to a United States plan for the resettlement of Palestine refugees have evoked exactly the kind of denunciation which must be expected when this inflammatory topic is touched on. In Egypt, Colonel Anwar el Sadat has used the Government newspaper *Al Gomhouria* for a vigorous attack on the United States for again trying to "divide" the Arabs by promoting a settlement favourable to Israel. Other Cairo newspapers have apparently joined the chorus.

The Syrian Foreign Minister, Salar Bitar, is quoted in the Damascus Press as observing: "You cannot move refugees without their consent," and an official Syrian statement on the supposed plan is said to be expected soon.

Both Colonel Sadat and the Syrian newspapers have alleged that "secret" talks have been held in Rome in the past two months between Israel and certain "pro-western" Arab States, with the United States acting as intermediary, in an effort to agree upon a solution, but the existence of any plan has already been denied both in Israel and Jordan (where the new Government appears to be even more repetitively anti-Zionist than the last). Officials of the United Nations Relief and Works Agency in Beirut also say they have no knowledge of it.

#### LETTERS QUOTED

Just who is flying the kite is still uncertain, although a tentative conclusion here is that it is perhaps Cairo and Damascus, between them, anxious to frustrate in advance any attempt which the United States might like to make at a settlement of the refugee problem. In a characteristic paroxysm of pan-Arab fervour, Colonel Sadat is said to have suggested that Egypt has already refused to obtain the release of her sterling balances in exchange for a refugee settlement and a comparison is drawn here with the publication in Cairo last week (and in left-wing newspapers in Beirut) of a purported correspondence between the Lebanese Foreign Minister, Mr. Malik, and the Israel Ambassador in Washington, Mr. Eban, on the possibility of establishing relations between the two countries.

The authenticity of this correspondence, which is said to have taken place during Mr. Malik's visit to the United States early this year, has been stoutly denied by the Lebanese Government, but its allegations of forgery have apparently received little notice in the Egyptian newspapers, where the letters have been used for further denigration of an allegedly traitorous Government.

So far no one seems to have attacked King Saud for his supposed willingness to cooperate with the Americans in settling the refugee problem, but the implication that he is also a traitor to the Arab cause is clear.

#### DANGER TO REGIMES

As reported here, the plan is said to have foreseen the resettlement of the majority of refugees in Iraq and Syria, where there is plenty of undeveloped land to accommodate them if they were transferred over a considerable period of time. Refugees unwilling to move would receive compensation from Israel, which would be underwritten by America.

King Saud is said to have discussed this both in Baghdad and Amman and to have personally exerted pressure on Syria for

its acceptance. On the face of it, King Saud's support now, when he seems to be more determinedly anti-Israel than before, looks unlikely, even supposing such a plan has been put to him; but the story may gain some credence from accounts by some sources here of the King's dissatisfaction with the activities of Palestine refugees in his own country as well as their part in the recent Jordan crisis.

In this connexion the remarks of a correspondent in the Lebanese newspaper *L'Orient* have some significance: he observed that several Arab Governments were increasingly aware that the refugees were a liability to them and that their own régimes might be more secure if the refugees could be resettled.

#### MORE PROPAGANDA

As their record shows, the refugees are certainly the most consistent source of unrest in the Middle East and it would be pleasant to think a desire for their resettlement was more widely shared; some U.N.R.W.A. officials are prepared to assert that it is, not least among the refugees themselves, who are more ready than before to join rehabilitation schemes. Unfortunately the problem remains one in which propaganda usually triumphs over common sense with both Jews and Arabs.

For reactionary Arab Governments, as for left-wing Nationalists, promises of "justice" for the refugees continue to be mandatory and if the present round of denials and denunciations shows anything, it is that to find an exit from the propaganda prison in which the refugees are now confined remains perhaps the trickiest problem of Middle East diplomacy.



Name of Paper

*The New York Times*

File No.

*181/4/4*

Published at

*New York*

Date

*June 24 1957*

## NEW CAIRO DRIVE AIMS AT REFUGEES

Report of Jordanian-Israeli  
Talks Viewed as Effort  
to Stir Up Unrest

By OSGOOD CARUTHERS

Special to The New York Times

CAIRO, June 23—President Gamal Abdel Nasser has opened a massive propaganda campaign against those Arab governments that have abandoned him to line up with the West. He is using the Palestine refugee problem as his most powerful weapon.

This has become evident during the last three days in a sudden outburst of obviously inspired stories, bitter editorials and radio broadcasts emanating from Cairo.

President Nasser's semi-official Middle East News Agency topped a barrage against Jordan today with a completely unattributed story that Samir el-Rifai, Jordan's Deputy Premier and Foreign Minister, had met secretly with Premier David Ben-Gurion of Israel at Aqaba "with a view to reaching agreement on preliminary steps toward the conclusion of a peace agreement between the two countries."

The story went on to say that "agreement had been reached between Israel and the representatives of pro-West Arab countries on the forcible transfer of Palestinian refugees to unpopulated areas in the desert between Jordan and Iraq." [Israeli sources in Jerusalem denied such talks

Continued on Page 2, Column 6

## NEW CAIRO DRIVE AIMS AT REFUGEES

Continued From Page 1

were in progress, The Associated Press said.]

The Middle East agency distributed the story under an Amman dateline although the news service has not had a reporter in Jordan since its correspondent was expelled from that country in April.

The principal target of the Cairo stories, editorials and broadcasts has been King Hussein and his pro-Western Jordanian Government. Diplomats in Cairo see in President Nasser's campaign an all-out effort to incite the half-million Palestine refugees in Jordan to open revolt.

Those who have watched the events of the last three months, in which Jordan, Lebanon and Saudi Arabia have come out in open opposition to the pro-Soviet policies of Egypt and Syria, have wondered how President Nasser would strike back.

The Egyptian leader has held that the people of those countries still support his nationalist policies of "positive neutralism," which in fact have invited Soviet penetration into the Middle East.

### Past Riots Cited

It now becomes clear that the Egyptians have decided that Palestine refugees, whose hungry and hopeless thousands make up half of Jordan's population, are the best weapon.

Incredible as the Middle East agency's report may seem to a student of the Middle East, it is certain to have some effect among the more innocent masses of refugees and Arabs throughout the Middle East.

Any suggestion of a final peace with Israel is like a red flag among the great majority of Arabs. More important, however, is the fact that any suggestion of a resettlement of Palestine refugees or of trying to resolve their problem by any way other than by their return to their homes in what is now Israel is almost certain to incite violence. Such suggestions in the past have caused riots among the refugees.

An analysis of Egyptian press and radio reports shows that President Nasser's campaign began subtly a month ago. At that time there was a sudden spate of inexplicable attacks against the United Nations Relief and Works Agency for Palestine Refugees, which is charged with caring for almost 1,000,000 refugees.

Although Egyptian authorities pledged full cooperation with the United Nations agency, charges continued that it was "plotting to annihilate refugees," was helping the Jordanian Government to identify and arrest "Arab nationalist" elements in refugee camps and was halting its rehabilitation services as part of a so-called Western imperialist plot to settle the problem in Israel's favor.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *Summary of World Broadcasts*

File No. *181/46*

Published at

Date *24 June 1957*

- 6 -

A5 Yahya Abu Bakr on Jordanian-Iraqi Plans for Refugee Resettlement

Cairo in Arabic home service 11.30 GMT 22.6.57.

Text of commentary by Yahya Abu Bakr:

"A hypocrite and traitor is the man who stabs his nation and conspires with its enemies and then insists that he is loyal to it. Once he assumes rule over any Arab country he will definitely be merely a humble servant of the foreign Power which supports and protects him. He will definitely be violent and cruel towards his nation and his people, preventing them from resisting their enemy. Such a hypocrite and traitor is not satisfied with being the hangman of his people; he furthermore trades in his people's future and uses it as merchandise in the international bargains market managed by the Zionists and imperialists, who manage this market so as to give priority in their transactions to their opportunist and reactionary agents.

"The base plot which is now looming in the horizon is that reported by the UP news agency, quoting a high diplomatic source in Cyprus. The plot is not directed against the Palestinians, whose dispersion and disruption was the main target of the imperialists and Zionists in their aim of building in their land an imperialist bridgehead which they called Israel. It is actually designed against the Arab nation as a whole, and against the national liberation movements whose aim is to put a final end to the arbitrary imperialist domination of the destinies and resources of the Arab peoples.

"The means which they plan to use in this abject plot, according to the diplomatic source in Cyprus, are the same means which they have used or rather intended to use in previous plots, namely millions of dollars. According to reports, bargainings are at present going on with a view to giving these dollars to Israel and certain Arab Governments which are secretly negotiating with Israel through the USA. The negotiations are reported to concern a settlement of the Palestinian refugee problem within the scope of the idea which has already been rejected by all the Arabs when it has been put before them, whether in the form of the Johnston plan for the exploitation of the Jordan river waters or in the form of the proposals announced by Dulles last year. We rejected this idea because it means only one thing, namely a final renunciation of the Arabism of Arab Palestine, relinquishing this territory to Israel, and the distribution of its people among other countries. The chief and basic mistake of those who advocate this idea is that, as President Abd al-Nasir has said, it overlooks the fact that the Palestine problem is the problem of a people who were ousted from their homeland, and that a homeland never can be sold.

"However, certain people have a readiness to sell their homelands and conscience. They therefore seek a solution of the Palestine problem by millions of American dollars, on the expectation that the USA will pay some of these millions to Israel, which Israel will use to pay reparations to Arab refugees, and that the USA will pay other millions to the Arab Governments which agree to the absorption of Arab refugees in their countries.

"But there remains the eternal question which none of the merchants of homelands has tried to answer. The question is: in return for what is the USA spending these millions? The answer to this question throws much light on the increasing concern expressed by certain quarters for a settlement of the Arab refugee question and the transfer of hundreds of thousands of the refugees who are living within the borders of the Hashimite Kingdom of Jordan to remote uninhabited regions in Iraq.

"These oblique solutions are an inseparable part of the plans for Middle East defence - plans which had aborted because the Arabs refused to allow that their Arab nationalism should collapse while Israel survived. These solutions also are an inseparable part of the imperialist Baghdad Pact. They are an inseparable part of the plans for imposing foreign military and economic protection on the reactionary Governments. They are also an inseparable part of the armed aggression against Egypt, and the rest of the imperialist plots against the Arab peoples.



"It fills Arab hearts with grief and sadness to find that the big lie unleashed by the USA two months ago has deceived some of the Arab rulers and politicians.

"In the USA world Zionism dominates everything - politics, economy, the press and the radio. Indeed, it threatens and kills all those who obstruct its path.

"When the big dream of Zionism failed in Sinai, and when the aggression aborted and Britain and France collapsed, world Zionism began to formulate its plans afresh with the assistance of the country which it completely dominates, namely the USA.

"Ben Gurion's policy was and is still based on disagreement between the Arab rulers - a fact which he declared in the Israeli Parliament. The USA's plan at present is to sow dissension in the ranks of the Arab rulers, on the assumption that thereby dissension will be sown among the Arab peoples, which would facilitate their liquidation one by one. The USA also thinks that if she succeeds in bringing some of the Arab rulers into her camp she will be able to dictate her wishes.

"The USA is mistaken, just as Britain, France and Israel were. International communism in the Middle East, about which the USA has been clamouring, has never been anything more than an artifice known by the USA herself to be false. This artifice has eventually been exposed as nothing but a cover for the perpetration of a crime against the homeless refugees and against all the Arabs.

"The USA may be able to cajole the rulers, but she will reap nothing thereby but the abiding enmity and hatred of the peoples."

'Al-Gumhuriya' (another article - text): "Although the USA has succeeded in winning over some Arab countries by her devious tactics, she will certainly not succeed in winning the peoples over; and, although she has succeeded in diverting a handful of individuals from the path of pure Arab nationalism which is inspired by the real interests of the Arab peoples and which truly expresses their aspirations, she will definitely not succeed in deflecting any people from this policy which is closely associated with the history of the Arabs and their long struggle for freedom, independence and unity. Although the USA imagines - simply because she has succeeded in isolating some Arab rulers from the real policy and aspirations of the Arab nation - that the Arab peoples are no longer united in their policy and aims, the irrevocable fact is that the unity of peoples cannot be split asunder or undermined. Arab policy, to which the Arab peoples have rallied, is a truly nationalist policy closely associated with the very life of these peoples, and will never be affected in the slightest by the fact that a group of individuals has abandoned it.

"The Arab Governments which have agreed to make themselves mere tools for the implementation of imperialist policy are Governments hostile to their own peoples and proceeding in a direction diametrically opposed to that in which their peoples proceed. This state of affairs will undoubtedly confirm the people's conviction that unity must be fostered, and that this unity is vitally necessary for the purpose of tackling the enemies of the Arab nation both inside and outside the Arab homeland."

'Al-Ahram' (excerpts): "The dissident Governments of the Arab countries which have agreed to negotiate with Israel have thereby severed their last link with the liberated States, and have made their pretence of adhering to Arab unity a joke. Not only do these negotiations split Arab unity asunder, but they proffer a challenge to Arab nationalism. There are three reasons for this. Firstly, these negotiations are a means for peace with Israel, a peace which implies the abandonment of the rights of Palestine, which in turn implies the denial of the rights of Arab nationalism to which the Arab Governments have for long adhered. Secondly, peace with Israel will provide Israel with the means for continued existence and development, especially through the lifting of the economic blockade imposed upon her... Thirdly, US policy hopes to settle what it calls 'the Middle East problem' by liquidating Arab nationalism and its anti-Zionist spirit of freedom, which she considers the stumbling-block in the way of the settlement of this problem. Support by the aforementioned Governments for American policy is tantamount to agreement to assist Western imperialism to overcome the opposition put up by Arab nationalism."



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

of Paper *summary of World Broadcasts*

File No. *181/44*

ished at.....

Date *24 June 1957*

- 7 -

"But the Arabs who resisted all these plots are capable of frustrating the new plot and of crushing the traitors who participated in hatching it and who co-operated with the enemy - imperialism and Zionism - against their fatherland and Arabdom.

"The Arab refugees own a sacred homeland, namely the soil of Palestine."



"Compelled by our sense of duty, we must relate the story of the comprehensive and extensive conspiracy, not only against the people of Palestine, nor against one Arab people, but against all our Arab peoples without exception. The story of the conspiracy is the story of the struggle between British and American influence in the Middle East. This struggle centres round purely economic and exploiting interests.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper Summary of World Broadcasts

File No. 181/4/5

Published at .....

Date 24 June 1957

Saudi denial of US Palestine plan On 23.6.57 Baghdad reported that the Saudi Directorate-General of Broadcasting, Press and Publication had the previous day issued a statement denying the existence of an American plan for the solution of the Palestine refugee problem or that King Saud had agreed to any such plan.



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper *Summary of World Broadcasts*

File No. *181/4/4*

Published at .....

Date *22 June 1957*

- 3 -

"There is no doubt that the responsible authorities in Israel and in the USA are fully aware of the fact that the Palestine problem concerns all the Arabs and is not the problem of the present Jordanian Government. They also know full well that any agreement concluded with the Jordanian Government is not worth even the paper on which it is written. The Arabs will continue their struggle without taking any notice of such an agreement. 40

"These reports further indicate that the US Government has advised Israel to agree to border adjustments and the return of part of the refugees, and that Israel has agreed to the return of refugees and rejected border adjustments. Israel might even agree to border adjustments, but we wish to state openly that the Arabs reject this, too. They reject any solution based on the return of part of the refugees and on border adjustments. The Arabs will strongly oppose this, even if there is approval by all the Arab States that are subservient to the USA.

"The leaders of Israel and the USA should understand that the question does not rest with these subservient Governments but with the Arab peoples, and in particular the Palestine people, who reject any solution that does not assure full rights for the Palestine Arabs.

"We want peace and are seeking it. We abhor aggression and the conspiracies that are hatched against our fate. The only solution to the Palestine problem lies in the full integration of the Jews of Israel with the inhabitants of the Arab world, in the cessation of the conspiracies against the Arabs, and in progress towards a living partnership. But to keep Israel as a racial and communal State in its present condition, together with its plots against the Arabs, is a thing that is impossible.

"The Arabs will continue their struggle until they are able to save the inhabitants of Israel themselves from this harmful isolation."



- 4 -

seek again the friendship of its elder sister Egypt. Iraq has changed the team of statesmen who caused misunderstanding in the past. A Government has now been formed whose main duty is to restore cordial relations to their former state.

"This is the same case with Britain and France, who are trying by every available means to restore normal relations with Egypt. Of course, any rapprochement with Egypt calls for the renunciation of Israel, and thus the day will come when Israel will find itself isolated from the world and without any importance in the international arena, because its leaders have damaged its reputation, sold it away, and placed its inhabitants at the service of the foreigner who pays the price, any price."

A5 Mohammed Abu al-Futouh on the Purchase of Soviet Submarines

Cairo in Arabic "Voice of the Arabs" 18.24 GMT 20.6.57.

Excerpts from commentary by Mohammed Abu al-Futouh:

"In the world of the strong and in the midst of the struggle of imperialist lackeys and confronted with the schemes of the plotters against the Arab nation, Egypt sought some means of strength; she tried to strengthen her defensive shield so that it would not be penetrated by the arrows of the conspirators or be torn by the spears of the traitors. A clamour was raised by the imperialists. The Zionist gangs rose, filling the world with uproar: Egypt has added three long-range submarines to its naval fleet; the balance of power in the Middle East has been upset; the strategic position of the allies' fleet in the Mediterranean has been shaken; the three Egyptian submarines have restored the shadow of the Egyptian-Czechoslovak arms deal; the state of tension has increased in the Middle East.

"What is this? What is all this imperialist and Zionist uproar for, and with what logic do they speak? With what sort of mentality do they understand matters and pass judgments?"

Al Report of Secret Arab Radio  
Cairo in Arabic how service 17-30  
Text of report:  
A prominent diplomat  
are now being conducted in the  
between Israel and certain  
secretary between the  
States have been



DEPARTMENT OF EXTERNAL AFFAIRS, CANBERRA.

Name of Paper Summary of World Broadcasts

File No. 181/4/4

Published at .....

Date 22 June 1957

- 1 -

39

APPENDIX A: EGYPT

M.S.

A1 Report of Secret Arab Talks with Israel

Cairo in Arabic home service 17.30 GMT 20.6.57.

Text of report:

A prominent diplomat in Nicosia today stated that important secret talks are now being conducted in New York and Rome about the Palestinian refugee question between Israel and certain Arab States which are pro-Western. The USA is playing the role of mediator in these talks. The source said that contacts conducted in secrecy between the representatives of Israel and the representatives of these Arab States have been carried on throughout the past two months.

The source added that it has been learnt that the USA offered Israel a large loan to enable it to make payment to these Arab States. The USA will also pay these countries a financial grant-in-aid in return for settling the Palestinian refugees in their territory instead of Palestine.

This prominent diplomatic source refused to disclose the names of the Arab States participating in these contacts. However, it is believed that these States are the States which are bound to the West by cordial relations. There is no possibility of either Egypt or Syria being among these countries.

These talks were described as in line with American policy. The source said: "The Americans are trying to convince the pro-American Arab leaders to agree to this policy." The United Press says that the initial efforts made by America to begin contacts between these Arab States and Israel were said to have taken place in New York. America bolstered them by binding itself to the Baghdad Pact. The agency said that, although the leaders of these States still adopt an outspokenly antagonistic attitude towards Israel, it is claimed that their hostility towards Israel has diminished somewhat since the latest meeting of the Baghdad Pact in Karachi.

The agency said that it is clear that the secrecy which shrouds the talks being conducted in Rome and in New York is due to the belief that any official acknowledgment of them may lead to the provocation of nationalist elements in the Arab capitals.

A2 Press Comment on Reported Secret Talks with Israel



imperialism. "What the lackeys of imperialism are now doing in the Arab countries is tantamount to an ugly crime and a hideous treason against the rights of the Arab countries which these lackeys are ruling by steel and fire. We warn the Arabs everywhere against this wide and comprehensive plot which is about to be implemented, and which will seriously jeopardise the security, peace and economy of the Arab world. We appeal to them to rally together, to close their ranks, and to rise to prevent the implementation of this plot and the perpetration of this crime..."

Another comment on this subject comes from 'Al-Akhbar', which says: "All the Arabs can now appreciate what is meant by subjection to Western influence. It means not only the receiving of financial and military aid and the proffering of opposition to communism - as some people think - but also the liquidation of the Palestine problem ... and the implementation of Western policy in its entirety as regards safeguarding Israel's existence and maintaining it as a thorn in the side of the Arab countries... All the Arabs can now appreciate the obvious relationship between the Baghdad Pact and peace with Israel, or, at least, the mitigation of hostility towards Israel. The aforesaid report says that the leaders of the pro-Western Arab countries have diminished their hostility towards Israel following the Baghdad Pact's meeting in Karachi. Obviously, the Baghdad Pact is one of the tools of imperialism.

"Some of our readers probably remember that when the Baghdad Pact was set up Israel expressed some false anxieties about it, and that consequently it was given assurances by the big Powers to the effect that the Pact would not be the cause of inflicting any harm upon Israel, but would instead ease its troubles and increase its opportunities for settling its problems with the Arab countries. The secret behind the Baghdad Pact has now been disclosed."

'Al-Ahram' states that Dulles has always "whispered" into the ears of the Israeli Ambassador that US policy seeks to "drive a wedge" between the Arab countries, "thereby making it very easy in future to manipulate those Arab countries which are friendly towards the USA and to induce them to send delegates to sit at the same table with Israeli delegates". It is our firm conviction that American policy in this regard will fail. We are convinced that nationalist forces in the Arab countries are capable of thwarting all plots and maintaining the inviolability of the Arab structure.

Again commenting on this topic, 'Al-Sha'b' says that it had been hoped that the Arab leaders concerned would not resort to "nauseating treachery" of this kind. The Palestine problem has suffered many catastrophes, acts of treachery, and crimes, "but it has never suffered a crime more ugly than this new crime which seeks the final liquidation of Palestine and the recognition of the unjust situation established by the Powers of imperialism and the traitors among the Arabs".



INWARD CABLEGRAM.

181/4/438  
SECRET

VA:HMD

I.8761

FROM:-

Dated: 21st June, 1957  
2251  
Rec'd: 22nd June, 1957  
1130

Australian High Commission,  
L O N D O N.

1456. SECRET AND GUARD.

From External.

Your 1562.

Talks take place between Trevelyan (working on Middle Eastern matters in the Foreign Office) and Henderson on latter's way back from Karachi. The United States had emphasised that they did not wish the views expressed at these talks divulged to other Governments and the Commonwealth Relations Office have given us the following information on the strict understanding that the United States do not come to know of their content.

(A) BURAIMI.

The United States primary concern at present is with the Buraimi dispute, since they attach the greatest importance to improvement of Western relations with Saudi Arabia which is hindered by the United Kingdom attitude over Buraimi. The United Kingdom explained that their attitude is dictated by the need to maintain their position in the Gulf States. Henderson was apparently prepared to agree that the dispute is genuinely an intractable one but it remains to be seen if he will be able so to persuade his superiors. The suggestion was made that talks of a general nature between the Sultan of Muscat and the Saudi Arabians might improve the situation and the United States is apparently willing to consider favourably making a statement in support of any general border agreement. The United Kingdom however doubts that such steps would bring a solution of the Buraimi dispute nearer.

(B) SAUDI ARABIA.

The United States will bear in mind the United Kingdom position over Buraimi in deciding on the size and shape of arms deliveries to Saudi Arabia.

(C) ADEN-YEMEN

The United States doubt that any useful purpose would be served by expressing to the Imam their view that he would do better to concentrate on domestic matters than to pursue expansionist aims against Aden.

(D) EGYPT.

The United Kingdom was able to dispel United States suspicions that the United Kingdom was relaxing economic pressure on the Egyptians. It was agreed that there would be consultations before any further releases of blocked Egyptian balances.

(E) JORDAN.

The subject of aid to Jordan will in the United Kingdom view be a main subject for consultation between the United Kingdom

SECRET



## INWARD CABLEGRAM.

37  
SECRET

-2-

I.8761

and the United States. Henderson thought it impossible to obtain congressional approval for United States budgetary support for Jordan and made the suggestion that Iraq might help. The United Kingdom emphasised that their willingness to enter into talks with Jordan on the subject of aid in no way implied a commitment to grant aid.

(F) PALESTINE REFUGEES.

Were any solution found for this problem the United Kingdom would be prepared to make a financial contribution.

2. Commonwealth Relations Office hopes to be able to expand the above account with further information to be sent through United Kingdom High Commission Canberra. The series of informal talks between the United and United States is to be continued.

MIN. & DEPT. E.A.  
P.M.'S.

23rd June, 1957

SECRET



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD SAVINGRAM.**

**CONFIDENTIAL**

181/4/4

AS

I.8680.

Dated: 13th June, 1957.

FROM:

Rec'd: 21st June, 1957.  
1415.

Australian Embassy,  
WASHINGTON.

SAV.215: CONFIDENTIAL.

Your savingram 37.

Palestine Refugees.

The State Department (Ludlow, United Nations Adviser, Bureau of Near East and South-East Asian Affairs) gave us following on 12th June.

1. Director of U.N.R.W.A. was at present in Washington for the purpose of getting additional United States financial support for agency. He had described situation of agency as critical. Sufficient funds were available to carry on already curtailed rehabilitation work only until December.

2. This situation placed United States in a dilemma. If, for example, Agency's educational programme had to cease in Jordan (with consequent disruption of entire school system) then it might be expected that opposition to the Government would substantially increase, perhaps to a point where Hussien's position was seriously jeopardized. On the other hand if the United States increased its contribution over and above percentage limitation at present imposed, United States might find itself in a position where it was virtually sole support of U.N.R.W.A. If this occurred, the State Department's objective of effecting progressive reduction in Agency's operations would be most difficult. Host Governments would be even less inclined to assume any responsibility, and general membership of United Nations would be even more reluctant than it already was to face up to the problem that would arise when the Agency's mandate expired in 1960.

3. Another alternative open to United States would be to supplement the Agency's work by providing increased bilateral assistance, especially to Jordan. However, the mood of Congress was such that administration might face considerable difficulties in getting necessary authority. Although the Senate Foreign Relations Committee, in its hearings on mutual security programme, had expressed great concern at the lack of progress made by U.N.R.W.A. in getting solution of refugee problem, Ludlow considered that Congress might be less averse to increasing United States contribution to U.N.R.W.A. than to providing additional bilateral aid to Jordan. Congress, he thought, was inclined to reason that so long as refugees were the responsibility of International organisation, United States was less directly embroiled than if it had direct responsibility. Once the United States gave direct support to refugees it might find it difficult to divest itself of responsibility.

**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD SAVINGRAM.**

CONFIDENTIAL

-2- I.8680.

4. The other critical area for U.N.R.W.A. operations was Gaza Strip. Ludlow personally felt, however, that if Agency was relieved of some of its responsibility in Jordan then it would have sufficient funds, even at present rate of contributions, to provide for refugees in Gaza.

5. Because of the financial crisis, the Department was not yet giving much thought to attitude which its delegation would adopt at 12th Session of the Assembly. Clearly, however, decision taken on current problem will have material bearing on United States attitude. We shall continue to keep you informed of developments in United States thinking.

MIN&DEPT E.A.  
MIN&DEPT IMMIGRATION

21st June, 1957.

SEC A/Ss L&T(DIV.5) UN@ PAC&AM AM&SP S&SEA SA  
E.A.F&ME E AF&ME INF DL MT C&P  
G

CONFIDENTIAL



DEPARTMENT OF EXTERNAL AFFAIRS. **RESTRICTED**  
**OUTWARD SAVINGRAM.**

34

BH

O.7207  
Sent: 5th June, 1957.

TO:

Australian Embassy,  
WASHINGTON.

181/4/4.

Sav 48. RESTRICTED.

Our savingram 37. Palestine Refugees.

Please advise latest State Department  
thinking on future treatment of refugee problem.

MIN. & DEPT. E.A. (181/4/4)  
MIN. & DEPT. IMMIGRATION  
P.MS'.

5th June, 1957.

SEC A/Es L&T(Div5) UN PAC&AM AM&SP S&SEA SA EAF&ME E  
AF&MB9 INF DL MT C&P

**RESTRICTED**



DEPARTMENT OF EXTERNAL AFFAIRS. **RESTRICTED**  
**OUTWARD SAVINGRAM.**

IMC

0.5736

Sent: 1st May 1957  
1100

TO:

Australian Embassy,  
WASHINGTON.

SAV. 37. RESTRICTED.

Your memorandum 301. Palestine Refugees.

We would be interested to know latest United States thinking.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
P.M.'s.

1st May, 1957.

SEC A/Ss L&T(DIV.5) UNC PAC&AM AM&SP S&SEA  
SEA E.A.F&ME E AF&IE INF DL C&P

*File 181/4/4.*

*Remind Washington.*

**RESTRICTED**



XXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXX

32

SAVINGRAM

Australian Embassy, WASHINGTON.

RESTRICTED

Your memorandum 301. Palestine Refugees.

We would be interested to know latest United States thinking.

R/S . 27/5

R/S.

1/5.

→ Mr. Robertson  
became more  
urgent! 30/4/57



CONFIDENTIAL

175/11/20

181/4/4

31

9th April, 1957.

ARAB REFUGEES

MR KEVIN

....

(Copy to Mr Forsyth)

Please see pages 3 and 4 of the attached memorandum No. 301 from Sir Percy Spender.

2. This reveals an interesting development in United States policy on the Arab-Israel policy. It is clear the United States regards the continued existence of U.N.W.R.A. as an obstacle in the way of a solution of the refugee problem; they therefore plan to wind up the Agency as soon as possible and in effect help the Arab states out of the burden this will impose upon them by development aid under the Eisenhower Doctrine.

3. I think we should back this approach. I believe that for just so long as U.N.W.R.A. promises to continue indefinitely will the Arab states continue to face up to solving the refugee problem; we must push them into solving it (by re-settlement). If they insist that U.N.W.R.A. continue and muster enough votes to see it does, the contributing countries, including ourselves, should not put up the necessary money.

4. I know some will answer this by saying you should not use a humanitarian problem for political ends but the Arab states themselves are doing just this. Furthermore, the necessity for a general settlement of the Arab-Israel question and hence of the refugee problem should in my view be the overriding consideration.

5. No action seems called for at the moment except perhaps a reminder to Washington to follow closely the evolution of United States policy on this matter.

Alan Renouf  
E.A.N.E. Branch

→ mr  
white  
RW

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## EXTERNAL AFFAIRS.

CONFIDENTIAL

File No. 181/4/4. 195/11/30.

Date. 2th April, 1957.

SUBJECT

ARAB REFUGEES

FOR MR KEVIN *llt*.....  
(Copy to Mr Forsyth)

Please see pages 3 and 4 of the attached memorandum No. 301 from Sir Percy Spender.

2. This reveals an interesting development in United States policy on the Arab-Israel policy. It is clear the United States regards the continued existence of U.N.W.R.A. as an obstacle in the way of a solution of the refugee problem; they therefore plan to wind up the Agency as soon as possible and in effect help the Arab states out of the burden this will impose upon them by development aid under the Eisenhower Doctrine.

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*llt*  
Alan Renouf  
E.A.M.E. Branch

*llt*  
Should be inform Sirs.  
*llt* 10/4

*Mr Robertson* Please give Washington a month and then ask them to follow up with State Dept.

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*llt* 10  
*llt*



CONFIDENTIAL

JC4:ds

March 7, 1957

Memorandum No. 301/57

The Secretary,  
Department of External Affairs,  
CANBERRA...A.C.T.

Special Political Committee - Palestine Refugees

The Special Political Committee was slow in beginning consideration of this item for two reasons. In the first place the Arab delegations, in particular those of Syria and Egypt, were concerned that the strong criticisms made by the Director of UNRWA, Mr. Labouisse, might have adversely affected plenary consideration of their demand for unconditional Israeli withdrawal from Sharm el Sheikh and the Gaza Strip. The second reason was that the United States itself was reluctant to begin the debate for fear that consideration of the refugee item would hinder United States' efforts to get a solution to the problem of Israeli withdrawal. Moreover, the United States had not formulated its attitude to the various issues (see below) about which the Director had requested a decision by the General Assembly. Indeed at one stage the United States delegation appears to have endeavoured to influence Mr. Labouisse not to emphasize or even to omit any reference to the controversial issues facing the Agency in its relations with the host governments. In this connection the United States delegation toyed with the idea that if the Director did not insist on specific directives it might not be necessary for the Assembly to adopt any resolution at all on this subject. They were, however, unable to proceed with this idea because Mr. Labouisse insisted that his own position would become intolerable unless he received specific instructions from the Assembly.

2. The first meeting of the Committee on this item was held on the 11th February, 1957, during which the Director drew attention to the three main issues requiring Assembly action. They were as follows: -

(a) The Agency's relationship with host governments: The Director put the following questions to the Committee:

(i) Should the Assembly continue to have an operational responsibility or did members of the Assembly, and more specifically the host governments, wish some other mechanism to help care for the refugees in one or more of the host countries?

(ii) If UNRWA was to have operational responsibility, could the Agency be assured of the necessary cooperation and recognition of its international status by the host governments?

(b) The serious financial situation confronting the Agency: The Director asked whether the Assembly could ensure that adequate funds would be provided in a timely manner to finance the services outlined in the Agency's budget and if not, what categories of services should be terminated.

(c) The Gaza Strip: The Director requested Assembly endorsement of the Agency's decision to continue its operations in the Gaza Strip. (In actual fact the Director was confident that there would be no difficulty about getting Assembly endorsement of his decision in this regard. What he was concerned about was the conditions under which UNRWA would be expected to operate if Israel withdrew from the Strip and Egypt returned. In this connection he drew attention to the fact that "in any arrangements concerning the Strip it will be of vital importance to maintain law and order so as to protect the population and also the staff and supplies of UNRWA, on which such a large number of people depend for their subsistence". Privately

CONFIDENTIAL

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*Mr. Scott  
in Reply*



CONFIDENTIAL

- 2 -

Mr. Labouisse had elaborated on this theme to us, stating that the mere separation of Israeli and Egyptian forces by UNEF would not be sufficient since he was convinced that if the Egyptians immediately resumed administrative responsibility for the Strip this would result in considerable destruction of property and the loss of life to many people whom the Egyptians regard as having collaborated with the Israelis).

3. The meeting resumed consideration of this item a few days later when statements were made by representatives of Syria, Jordan, Philippines, Sudan, Libya, China, Netherlands and Peru, and at the following meeting by the representatives of Afghanistan, Iraq, Soviet Union and Bulgaria. The Soviet representatives made brief statements in general support of the Arab policy of insisting on repatriation of the refugees. The statements of the host governments were very short and it was noticeable that, with the exception of Dr. Jamali, there was far less emphasis on Israel culpability than has been the practice in past sessions. More significantly, the Syrian and Jordanian representatives, other than expressing support for the Director's request for additional funds, did not in any way deal with the crucial issue which he had raised in regard to relations between the Agency and the host governments. It was clear that the Arabs were waiting for the United States to make up its mind about what it wanted. Accordingly, it was not until the fourth meeting of the Committee, when the United States delegate, Mrs. Lord, outlined the policy of her Government, that the debate developed. This statement was by far the most important made during the general debate since the United Kingdom, which normally played an influential role in consideration of this question, had decided that it would not be politic for it to intervene actively during this session. It did, however, at United States insistence, agree to co-sponsor the draft resolution. The Australian statement was very well received and, indeed, if I may say so, many delegates commented that it was a most constructive and illuminating analysis. The Iraqi and Jordanian delegates mildly criticized one point; i.e. the extent of United Nations responsibility. The Israeli delegate (Mr. Comay) warmly commended the statement although, fortunately, he also took issue with us on one point, viz, the question of payment by Israel of compensation to the refugees.

4. The United States delegate made two main points in her statement :-

(a) Referring to the deterioration of relations between the Agency and some of the host governments, she stated that this lack of cooperation was incompatible with the obligations imposed upon member states by articles 104 and 105 of the Charter. This, she said, was a matter for concern because if the Director of any U.N. Agency found that host governments did not respect their obligations, he would have the right to curtail or, even to terminate, the activities of the Agency in question. Having admitted that the host governments were entitled to exercise their sovereign rights within their territories and that this very exercise of sovereign rights might give rise to certain difficulties, Mrs. Lord went on to say that the Assembly must bear in mind that the Agency's mandate would expire in approximately three years. Accordingly, she said, the General Assembly should "now begin helping the Agency and the Governments concerned in the interests of the refugees to prepare against the eventual termination of the Agency's present activities". In this connection, it would be advisable for the Director of the Agency, after consultation with the host governments, "to submit to the Twelfth Session of the General Assembly specific proposals for the implementation of the various responsibilities with which the Agency was now charged - without prejudice to the refugees right to repatriation or compensation".

(b) As regards the other main point, Mrs. Lord stated the following. "The United States Government felt that the General Assembly should allow the Director of the Agency greater discretion with regard to the use of rehabilitation funds; he should be authorized to disburse the necessary funds for general economic development projects, subject only to the recipient government's agreement to assume financial responsibility for an agreed number of refugees for a fixed period. The projects which might thus be agreed upon could contribute to the welfare of the refugees as well as benefit the economy of the Arab world".

CONFIDENTIAL

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CONFIDENTIAL

- 3 -

27

5. The State Department had drawn up a resolution embodying these two essential points, but the delegation had been instructed not to introduce the resolution unless it was sure that a two-third majority in favour of the resolution would be forthcoming. Whether or not such a majority could be obtained depended on the attitude of the Arab governments. If they voted against the resolution it was to be expected that the Soviet bloc would support them and that they would be able to persuade sufficient Asian and African delegations to either vote against, or abstain on the resolution.

6. To understand the attitude of the Arab governments to the resolution, it is necessary to understand what purpose the United States had in mind. This was deliberately not made clear in the debates and although the "New York Times" interpreted Mrs. Lord's statement to mean that the United States favoured the termination of the Agency forthwith in 1960, her remarks were in fact equivocal. We, ourselves faced considerable difficulty in getting a clarification of U.S. policy since officers of the United States delegation were not entirely frank in the sense that they did not make explicit the exact intentions of the United States. However, as far as we are able to gather (and this is a result of many conversations) the essential features of the United States plan, which appears to be quite radical and represents a new look at the whole refugee problem, are as follows:-

(a) The United States feels that the activities of UNRWA must be terminated as soon as possible and that accordingly it is essential that the United Nations not find itself in such a position in 1960 that it has no alternative but to continue the Agency in its existing form.

(b) To this end, the United States considers that planning must begin immediately and that the Arabs must be made to realize that they cannot expect international assistance for the refugees to go on indefinitely.

(c) The first step in this direction would be to give the Director authority to begin negotiations with the host governments with a view to arranging a progressive transfer of the operational responsibilities of UNRWA to the host governments. Exactly how they envisage such a transfer to be effected, we have not been able to determine. But, so far as we can gather what they have in mind in the first instance is, that the existing functions of the Agency insofar as they relate to the direct operation of schools, clinics, distribution of rations, construction of shelter, should be taken over by the host governments themselves. The host countries would thus possess full control over the staff employed to carry out this work. The refugees would continue to receive the same amount of international financial assistance as hitherto but the function of the United Nations through UNRWA would be mainly to ensure that funds were not needlessly dissipated and that they did in fact reach the refugees. In addition, UNRWA, would offer technical assistance to the host government to help them in carrying out their operational responsibilities. But it would be up to the host governments to accept or refuse such technical assistance. It must be admitted that this sounds very difficult in practice, but the United States delegation points out that the transition would be gradual; that in this way the host governments could not continue to foster refugee dis-satisfaction with the work of the Agency since they themselves would bear a direct responsibility. Moreover, the United States considers that the present inflated rolls would be rapidly reduced since to do so would be in the interest of the host governments. Finally, according to the United States the present friction, which exists because of the nationality (U.K. France, Australia, New Zealand) of the operational employees of the organisation, would be greatly reduced.

(d) There is a sweetener for the Arab states to this pill, and it was outlined in the second point made by Mrs. Lord in the statement mentioned above: Namely, that the host governments will receive funds for general economic development provided they are prepared to assume financial responsibility for a given number of refugees. There is little doubt that the State Department believes that it is through the general economic

CONFIDENTIAL

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CONFIDENTIAL

- 4 -

26  
development of the Arab countries that the refugees will eventually be re-settled. They appear to envisage that some time after 1960 all financial assistance to the host governments will take this form. And, although members of the United States delegation were not prepared to be very specific about this, they did not deny that there was a close connection between this idea and the economic aid aspect of the Eisenhower doctrine.

7. The Arab States at first were not too strongly opposed to the United States draft resolution and after much consultation between the United States delegation and the Arab delegations, they agreed to abstain on the draft resolution and not to use their influence to persuade other delegations to abstain or vote against the resolution. In doing so they were apparently motivated by the attitude the United States had said it would adopt on the question of Israeli withdrawal. Accordingly, on the 22nd February, the United States, together with the delegations of Argentina, Netherlands, New Zealand and the United Kingdom, introduced the following draft resolution:-

"  
The General Assembly,

Recalling its resolutions 194 (III) of 11 December 1948, 302 (IV) of 8 December 1949, 393 (V) of 2 December 1950, 513 (VI) of 26th January 1952, 614 (VII) of 6 November 1952, 720 (VIII) of 27th November 1953, 818 (IX) of 4 December 1954 and 916 (X) of 3 December 1955,

Noting the annual report and the special report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the report of the Advisory Commission of the Agency,

Having reviewed the budget for relief and rehabilitation prepared by the Director of the Agency,

Noting with concern that contributions thereto are not yet sufficient,

Noting that repatriation or compensation of the refugees, as provided for in paragraph 11 of resolution 194 (III), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of resolution 513 (VI) for the reintegration of refugees and that therefore the situation of the refugees continues to be a matter of serious concern,

Noting with concern that there has been inadequate cooperation between certain host Governments and the Agency,

Noting that, according to resolution 818 (IX) the mandate of the Agency was extended to 30 June 1960,

1. Requests the Director of the Agency, after consultation with the host Governments, to prepare for submission to the twelfth General Assembly specific suggestions for future implementation of the various responsibilities and tasks with which the Agency is now charged;
2. Recalls the provisions of Articles 104 and 105 of the Charter of the United Nations, the terms of the Convention of Privileges and Immunities of the United Nations, and the contents of paragraph 17 of its resolution 302 (IV) of 8 December 1949, and accordingly requests the host Governments to cooperate fully with the Agency and with its personnel and to extend to them every appropriate assistance in carrying out their functions;
3. Directs the United Nations Relief and Works Agency for Palestine Refugees in the Near East to pursue its programmes for the relief and rehabilitation of refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year;
4. Requests the Governments of the area, without prejudice to paragraph 11 of resolution 194 (III), in cooperation with the Director of the Agency, to plan and carry out projects capable of supporting substantial numbers of refugees;
5. Requests the Agency to continue its consultation with the United Nations Conciliation Commission for Palestine in the best interest of their respective tasks, with particular reference to paragraph 11 of resolution 194 (III);
6. Decides to retain the rehabilitation fund and authorises the Director in his discretion to disburse such monies, as may be available, to the individual host Governments for general economic development projects, subject to agreement by any such Government that within a fixed period of time it will assume financial responsibility for an agreed number of refugees, such number to be commensurate with the cost of the project;
7. Reiterates its appeal to private organizations and Governments to assist

CONFIDENTIAL

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in meeting the serious needs of other claimants for relief as referred to in paragraph 5 of resolution 916 (X);

8. Requests the Negotiating Committee for Extra Budgetary Funds, after receipt of the requests for contributions from the Director of the Agency, to seek the financial assistance needed from the United Nations Members.

9. Urges all Governments to contribute or to increase their contributions to the extent necessary to carry through to fulfillment the Agency's relief and rehabilitation programmes;

10. Notes with approval the action of the Agency in continuing to carry out its programme for the refugees in the Gaza Strip following the recent hostilities;

11. Expresses its thanks to the Director and the staff of the Agency for continued faithful efforts to carry out its mandate, and to the many private organizations for their valuable and continuing work in assisting the refugees;

12. Requests the Director of the Agency to continue to submit the reports referred to in paragraph 21 of resolution 302 (IV), as well as the annual budgets. "

8. In the meantime, however, the Director of the Agency, Mr. Labrousse, had been lobbying fairly actively against the United States draft. His main objection was that operative paragraph 1 of the draft resolution was not sufficiently specific on the question of direct or operational responsibility and, moreover, without a positive vote from the host Governments his own position in consulting with them, as required by paragraph 1 would be more intolerable. The United States argued in reply that if paragraph 1 was made more specific then the Arabs would certainly vote against it; that the fact that they voted for a resolution did not mean that in practice they would be more cooperative in their relations with the Agency; and that in any case it was most important that a start be made in planning for the termination of the Agency in 1960. Moreover, the United States maintained that it did not matter if the resolution was not concrete in its meaning, since the United States intended and hoped the other main contributors would do the same, to inform the Director exactly what they wanted him to negotiate about. These arguments did not satisfy the Director who considered that because he had gone out on a limb over the question of continuation or termination of UNRWA, and had strongly criticized certain host governments, then the least he could expect was a specific endorsement of his position from the Assembly.

9. Immediately after the United States introduced its resolution on the 22nd February the Jordan delegate, Mr. Riffai, pointed out that his delegation needed "time" to study the draft resolution and to contact its government for instructions. All this notwithstanding the fact that the Arabs had had this resolution and had been discussing it with the United States for more than a week. From some remarks by Dr. Jamali, speaking in support of Mr. Riffai, it was apparent that one consideration motivating the Arab delegates was a wish to delay consideration until after the United States had stated its position in the plenary on Israeli withdrawal.

10. When the Committee met the following morning, it had a revised version (A/SPC/L.13/Rev.1) of the draft resolution which did not alter the substance of the original draft. Debate did not, however, proceed on the basis of this resolution because the Jordan delegate stated that a further revision of the text was expected and that little point would be served if the meeting proceeded with its business before the new resolution was introduced.

11. The second revision of the draft resolution was introduced during the afternoon's meeting. Its text was as follows:-

"

The General Assembly,

Recalling its resolutions 194 (III) of 11 December 1948, 302 (IV) of 8 December 1949, 393 (V) of 2 December 1950, 513 (VI) of 26th January 1952, 614 (VII) of 6 November 1952, 720 (VIII) of 27 November 1953, 818 (IX) of 4 December 1954 and 916 (X) of 3 December 1955,

CONFIDENTIAL

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CONFIDENTIAL

- 6 -

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Noting the annual report and the special report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East and the report of the Advisory Commission of the Agency,

Having reviewed the budget for relief and rehabilitation prepared by the Director of the Agency,

Noting with concern that contributions thereto are not yet sufficient for in paragraph 11 of resolution 194 (III), has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of resolution 513 (VI) for the reintegration of refugees and that therefore the situation of the refugees continues to be a matter of serious concern,

Noting that the host Governments have expressed the wish that the Agency continue to carry out its mandate in their respective countries or territories and have expressed their wish to cooperate fully with the Agency and to extend to it every appropriate assistance in carrying out its functions, in accordance with the provisions of Articles 104 and 105 of the Charter of the United Nations, the terms of the Convention of Privileges and Immunities, the contents of paragraph 17 of its resolution 302 (IV) of 8 December 1949 and the terms of the agreements with the host Governments,

1. Directs the United Nations Relief and Works Agency for Palestine Refugees in the Near East to pursue its programmes for the relief and rehabilitation of refugees, bearing in mind the limitation imposed upon it by the extent of the contributions for the fiscal year;

2. Requests the host Governments to cooperate fully with the Agency and with its personnel and to extend to it every appropriate assistance in carrying out its functions;

3. Requests the Governments of the area, without prejudice to paragraph 11 of resolution 194 (III), in cooperation with the Director of the Agency, to plan and carry out projects capable of supporting substantial numbers of refugees;

4. Requests the Agency to continue its consultation with the United Nations Conciliation Commission for Palestine in the best interest of their respective tasks, with particular reference to paragraph 11 of resolution 194 (III);

5. Decides to retain the rehabilitation fund and authorizes the Director in his discretion to disburse such monies, as may be available, to the individual host Governments for general economic development projects, subject to agreement by any such Government that within a fixed period of time it will assume financial responsibility for an agreed number of refugees, such number to be commensurate with the cost of the project without prejudice to paragraph 11 of resolution 194 (III);

6. Reiterates its appeal to private organizations and Governments to assist in meeting the serious needs of other claimants for relief as referred to in paragraph 5 of resolution 916 (X);

7. Requests the Negotiating Committee for Extra Budgetary Funds, after receipt of the requests for contributions from the Director of the Agency, to seek the financial assistance needed from the United Nations Members;

8. Urges all Governments to contribute or to increase their contributions to the extent necessary to carry through to fulfillment the Agency's relief and rehabilitation programmes;

9. Notes with approval the action of the Agency in continuing to carry out its programme for the refugees in the Gaza Strip;

10. Expresses its thanks to the Director and the staff of the Agency for continued faithful efforts to carry out its mandate, and to the specialized agencies and the many private organizations for their valuable and continuing work in assisting the refugees;

11. Notes that the Agency is changing its financial period from a fiscal to a calendar year basis and that consequently the current budgets cover an 18 month period from 1 July 1956 to 31 December 1957, and that special arrangements for the audit of funds in this period are being made with the United Nations Board of Auditors;

12. Requests the Director of the Agency to continue to submit the reports referred to in paragraph 21 of resolution 302 (IV) as modified by paragraph 11 above. "

CONFIDENTIAL

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CONFIDENTIAL

- 7 -

73

This resolution was sponsored by Argentina, New Zealand, Philippines, United Kingdom and the United States. The Netherlands had withdrawn its sponsorship on the grounds that the resolution was no longer essentially the same as that which it had initially agreed to co-sponsor.

12. This was certainly true and it will be noted that the former operative paragraph one had been entirely deleted and that instead of asking the host governments to cooperate, the preambular paragraph noted that they had expressed the wish that the Agency continue to carry out its mandate in their respective countries or territories and that they intended to cooperate fully with the Agency and to extend to it every appropriate assistance in carrying out its functions. Moreover, the reference to the termination of the Agency in 1960 had been deleted.

13. There is little doubt that the introduction by the United States of what was substantially a new resolution constituted a strong defeat for United States policy. This was admitted to us by the United States delegation which only the evening before had strongly insisted that it would not give way to Arab pressure nor to the demands of the Director. It would appear that the voite face occurred during the preceding night when the Arab Ambassadors in Washington made a high level approach to the United States Government, which in view of the critical state of negotiations regarding Israel's withdrawal, apparently decided that it would be impolitic to force the resolution through the Assembly in the face of Arab opposition.

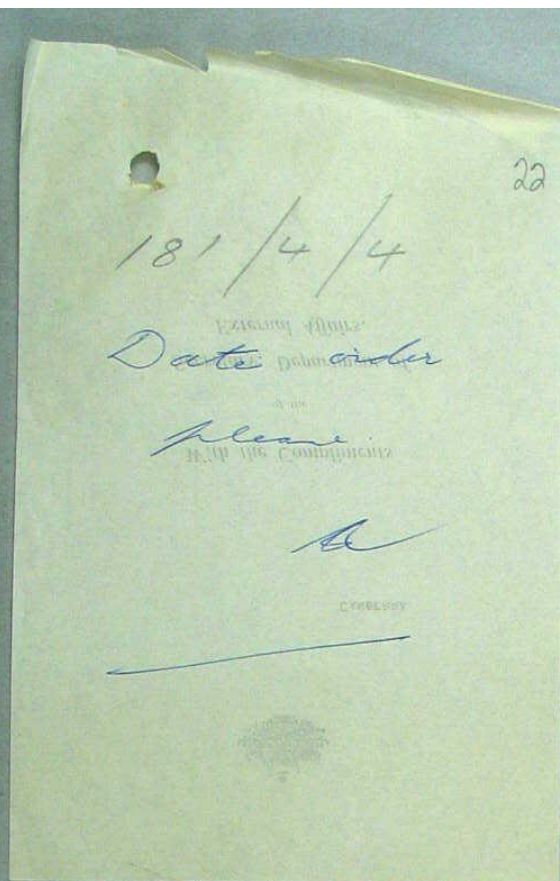
14. Accordingly when this second revised draft resolution was introduced the delegations of the host governments all expressed their support for it and the resolution was adopted virtually unanimously. (There was one abstention, that of Iraq, whose delegate explained that a solution to the refugee problem would be got only on the basis of respect for human rights, the refugees having an absolute right to return to their homes).

15. In due course, we shall speak to the State Department, about its intentions in regard to the future of UNRWA and the Palestine refugees.

P.C. SPENDER  
Ambassador.

CONFIDENTIAL







181/4/4 21  
DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

UNCLASSIFIED.

PRESS

I.03115

Sent: 23rd February, 1957.

BH

2300  
Rec'd: 25th February, 1957  
0830

FROM:

Australian Mission to the United Nations,  
NEW YORK.

548.

UNCLASSIFIED.

Special Political Committee.

Palestine Refugees.

United States, Argentina, New Zealand, Philippines,  
United Kingdom today introduced new revised draft resolution  
which was adopted 66 (Australia) - 0 - 1

Iraq. Main revisions made are deletion of preambular  
paragraph relating to termination of Agency and operative  
paragraphs 1 and 2 and substitution of new preambular paragraph  
as follows:

Noting that the host governments have expressed the  
wish that the agency continue to carry out its mandate in  
their respective countries or territories and have expressed  
their wish to cooperate fully with the Agency and to extend  
to it every appropriate assistance in carrying out its functions  
in accordance with the provisions of articles 105 and 105 of the  
charter of the United Nations, the terms of the convention of  
privileges and immunities the contents of paragraph 17 of its  
resolution 302 IV of 8th December 1949 and the terms of the  
agreements with the host governments.

Separate vote was requested by Chile on operative  
paragraph relating to negotiating committee for extra budgetary  
funds adopted 50. (Australia, Canada, New Zealand, United  
Kingdom) - 0 - 16 (Soviets some Latins). Operative paragraph  
urging Governments to contribute adopted 49. (Australia  
Canada, United Kingdom, New Zealand) - 0 - 18 (Soviet)

Item on United States subversion begins Monday.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
P.M'S.

25th February, 1957.

SEC. 4/5s L&T(Div5) UNO ER CR PAC&AM AM&SP S&SEA SA  
SEA E&P&ME E D&P&D INF C&P  
G.



181/4/4  
DEPARTMENT OF EXTERNAL AFFAIRS.

RESTRICTED

INWARD CABLEGRAM.

VA:

I. 3079

Sent: 22nd February, 1957  
1905

Rec'd: 23rd February, 1957  
1200

FROM:

Australian Mission to the United Nations,  
NEW YORK.

540. RESTRICTED.

Special Political Committee Palestine Refugees.

United States introduced draft resolution sponsored by Argentina, Netherlands, New Zealand, Philippines, United Kingdom and United States. Text as in our 484 and 521 except for minor amendments. Operative paragraph 1 has been amended by asking Director to report on "implementation of various responsibilities and tasks with which Agency is now charged". Expression "such number to be commensurate with cost of project" added to end of operative paragraph 5.

2. At insistence of Arab Delegations consideration or resolution postponed until tomorrow. Their request was clearly intended to prevent vote being taken prior its expression in Assembly of United States views on Israeli withdrawal. United States Delegation says that it will bring its resolution to vote tomorrow whatever the Arab attitude may be.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURER & TREASURY  
P.M's.

23rd February, 1957.

SEC A/Ss L&T(DIV.5) UN@ PAC&AM AM&SP S&SEA SA SEA EAR&ME  
E AF&ME INF DL MT C&P

G

RESTRICTED



181/4/4 19

DEPARTMENT OF EXTERNAL AFFAIRS  
**CONFIDENTIAL**  
**INWARD CABLEGRAM.**

MMC:AS

I.3021.

Dated: 22nd February, 1957.

FROM:

0024.  
Rec'd: 23rd February, 1957.  
0830.

Australian Mission to the United Nations,  
NEW YORK.

521. CONFIDENTIAL.

Palestine Refugees.

1. The United States has agreed to incorporate the following amendments in the text of Draft Resolution sent in our 484:

Delete preambular paragraph 5 and substitute -  
"Noting desirability of adequate co-operation between host governments and agency".

Delete preambular paragraph 6.

Delete preambular paragraph 7 and substitute -  
"Noting that according to Resolution 818(IX) mandate of Agency was extended for five more years to 30th June, 1960".

Delete operative paragraph 1 and substitute -  
"Requests Director of Agency, after consultation with host governments, to prepare for submission to Twelfth General Assembly, specific suggestions for the future implementation of the various tasks with which Agency is now charged".

Delete "to host countries" from first sentence operative paragraph 2.

Delete operative paragraph 3 and substitute -  
"Directs United Nations Relief and Works Agency for Palestine Refugees in Near East to pursue its programmes for relief and rehabilitation of refugees bearing in mind the limitation imposed upon it by the extent of contributions for Fiscal Year".

After "to dispense such moneys" in operative paragraph 5 add "as may be available".

Add new operative paragraph - "Requests Agency to continue its consultations with United Nations Conciliation Commission for Palestine in best interest of their respective tasks with particular reference to paragraph 11 of Resolution 194.(111).

Add new operative paragraphs "Notes with approval action of Agency in continuing to carry out its programme for refugees in Gaza Strip following recent hostilities".

2. The majority of the amendments have been made at Arab insistence. Arabs have agreed to abstain in vote on amended resolution and have agreed not to influence the Asian vote. Accordingly two-thirds vote is virtually certain. The United States will therefore table the Resolution this afternoon provided the Arab reaction to President Eisenhower's statement last night on the Middle East is not unfavourable. If the reaction is adverse, then the

**CONFIDENTIAL**



DEPARTMENT OF EXTERNAL AFFAIRS  
**INWARD CABLEGRAM.**

CONFIDENTIAL

-2- I.3021.

United States will probably abandon the exercise.

3. Regarding suggestion in paragraph 1 of your 156, you will note the rewording of operative paragraph 5. Such funds as may be used in this connection will in fact come from United States, which has confidentially informed us that it plans to make available 4 million dollars to the Rehabilitation Fund over and above its existing pledge and without commitment to specific uses. Moreover, the United States and old Commonwealth delegations point out that if Arabs are to get funds for general development, then they will have to agree to assume financial responsibility for given number of refugees. We have gained the strong impression from the Americans that they consider that general economic development is key to resettlement of refugees and that after termination of Agency in 1960 they at present envisage all assistance to refugees as being on this basis either bilaterally or multilaterally. The connection with economic aspect of the Eisenhower Plan is obvious and the Americans imply as much.

4. Possible co-sponsors of Resolution in addition to the United States, are the Philippines, Argentina, United Kingdom and New Zealand. We of course are not co-sponsoring, but shall vote for the Resolution. Voting should take place Friday morning.

MIN&DEPT EA  
MIN&DEPT IMMIGRATION  
TREASURER&TREASURY  
P.M.'S

23rd February, 1957.

SEC A/Ss L&T(DIV.5) UN ER PAC&AM AM&SP S&SEA SA  
E.AF&ME E AF&ME INF C&P  
G

CONFIDENTIAL



181/4/4 11  
DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

UNCLASSIFIED.

PRESS

I.2975

BH

Sent: 21st February, 1957.  
0355  
Rec'd: 22nd February, 1957.  
0830

FROM:

Australian Mission to the United Nations,  
NEW YORK.

511.

UNCLASSIFIED.

Special Political Committee.

Palestine refugees.

Syria requested more information from Director about Israeli actions in Gaza appealed for increased funds to improve standard of care.

Canada expressed disappointment that Israel had not offered refugees programme of repatriation or compensation and the neighbouring countries had not supported resettlement schemes. Supported United States proposal that Director should submit to next session recommendations concerning nature and extent of Agency's future operations and responsibilities. In this connection stated it was necessary to make arrangements during transitional period prior to termination of Agency in 1960. Welcomed suggestion to use funds for general economic development provided agency should undertake projects only where the money is spent. Will result in a proportionate reduction in funds now required for agency's relief programme.

India spoke in favour of repatriation.

Ethiopia, Argentina, Iran, Saudi -Arabia, Uruguay and Indonesia also spoke.

General debate concludes tomorrow. No resolutions have been tabled as yet.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
P.M'S.

21st February, 1957.

SEC A/SS L&T(Div5) UN9 TA ER CR PAC&AM EA AM&SP  
S&SEA SA SLA E.F&ME E A.F&ME INF DL MT C&P  
G.



181/4/4 16  
DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

UNCLASSIFIED

....:SH

I. 2862

Dated: 20th February, 1957

0207

Rec'd: 21st February, 1957

0830

Australian Mission to the  
United Nations,  
NEW YORK

495. UNCLASSIFIED

Special Political Committee.

Palestine Refugees.

The United Kingdom elaborated on and defined its attitude to financial questions facing the Agency. Deplored friction between the host Governments and the Agency and cited Articles 104 and 105. In this connection supported United States proposal that the Director should submit concrete proposals to the next Session.

Egypt maintained the population of Gaza was being tortured and annihilated by Israel armed forces. Appealed for financial support for U.N.R.W.A.

Australian statement reported separately.

Pakistan stated the refugee problem was a direct result of the creation of Israel and the responsibility for refugees rested on the countries which had voted in favour of the establishment of Israel. Analysed the problem in terms of the role of kindred countries, the task of international organizations, Israel-Arab population exchanges, prospects for resettlement. Maintained that the root of the problem was Arab obsessive hostility against Israel on Gaza. Admitted that unfortunately a number of refugees had been killed at the outset of the Israeli occupation but maintained that the population now enjoyed freedom from fear and violence. Stated Israel's contribution to the United Nations programme for settling the refugee population of the Gaza Strip would consist both in payment of compensation and in settlement of a part of the refugees. Stated its proposals for administrative and security arrangements for the Gaza Strip would be presented in plenary. Called for a peace settlement with the Arab States as a solution to the refugee problem.

Turkey, Italy and Colombia also spoke.

MIN & DEPT EA  
MIN & DEPT IMMIGRATION  
TREASURER & TREASURY  
P.M.'s

21st February, 1957

SEC A/Ss L&T(DIV5) CR PAC&AM AM&SP S&SEA SA EAP&ME  
E AP&ME INF C&P MR.GOSS UN@

G



INWARD CABLEGRAM. UNCLASSIFIED

..:VA

1. 2063

PRESS

Sent: 20th February, 1957  
0206  
Rec'd: 21st February, 1957  
0830

FROM:

Australian Mission to the United Nations,  
NEW YORK.

499. UNCLASSIFIED.

Special Political Committee.

Palestine refugees.

Following is summary of main points made by Sir Percy Spender in his address to the Committee this afternoon on financial matters.

Appealed to great bulk of United Nations members who have not contributed to do so. If sufficient funds were not forthcoming stated allocation of priorities should be left to Director except that over and above basis of needs, self support projects should be last to be discontinued. Analysed political origins of the problem and concluded that United Nations responsibility rested with Arabs and Israel. Accordingly it was unrealistic to expect United Nations to go on indefinitely paying for support of refugees. Stated passage of time had not alleviated the problem because the refugees problem is particular aspect of Palestine problem. The matter was produce of deepest human emotions which left little room for compromise. A solution could only be got through the amelioration of hostile attitudes. An important factor in bringing this about would be the termination of border incidents. Further if Israel accepted principle of repatriation even if in narrow and defined circumstances it would make most favourable contribution since such a gesture would serve to demonstrate to Arabs that Israel wished to live in peace with it. Pointed out, however, that this did not mean Australia considered that all or even significant portion of refugees should return to Israel since economic viability and security of the state would then be seriously undermined. Moreover a virtual exchange of populations had taken place. In any case it was extremely doubtful if more than a small percentage of refugees would want to return to Israel if to do so meant a return to the Israel that exists today. Stated similar responsibility rests on host Governments who have rejected projects which would lead to integration of refugees into their societies but such projects would not be sufficient to provide for resettlement. Accordingly Australia was interested in the Director's proposal that U.N.R.W.A. make loans or grants for general development programmes. However, before such programmes could be embarked on by United Nations there would need to be assurances from Arab Governments that they would permit absorption of refugees either within their countries of present residence or elsewhere in the region. Considered that until such an assurance was forthcoming we could not legitimately authorise Director to spend large sums of money or enter into any commitment to provide necessary funds.

Stated Australia was disturbed by unsatisfactory relationships between host Governments and the Agency. ... /2.



**INWARD CABLEGRAM.**

UNCLASSIFIED

I. 2863

2.

Said, in this connection that if the host Governments wished U.N.R.W.A. to continue its operations and for those operations to have financial support of United Nations then host Governments must accord U.N.R.W.A. their full support. On the other hand if they persisted in their attitude, the only alternative might be to terminate U.N.R.W.A. activity in countries concerned. However, since the issue was so delicate every effort should be made to reach satisfactory solution and to this end the Director might report to next Assembly the result of his negotiations with host Governments.

Stated that Agency had acted properly in continuing its work in Gaza after Israeli action. Maintained that pending determination by General Assembly of role of U.N.E.F. and future administration of the strip, Director's concern about need for continuity of law and order could not be discussed in special political Committee. Stated, however, that since the remarks of the Director in this connection were of considerable importance they should be brought to notice of Assembly and Secretary-General might be able to put forward proposal which would provide for contingencies in mind of Labrousse.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
TREASURER & TR. SURY  
P.M's.

21st February, 1957.

SEC A/Ss L&T(DIV.5) CR PAC&AM AM&SP S&SEA SA BAF&M E AP&ME  
INF C&P UNO

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DEPARTMENT OF EXTERNAL AFFAIRS  
OUTWARD CABLEGRAM.

CONFIDENTIAL

AS:SH

O. 2663

Sent: 20th February, 1957  
1846

TO:

Australian Mission to the  
United Nations,  
NEW YORK

156. CONFIDENTIAL

Your 484.

We suggest that there should be some guarantee that expenditure of rehabilitation fund would be of direct benefit to refugees - the purpose for which funds were contributed. The resolution is otherwise acceptable.

We are not satisfied that measured directed towards the termination of United Nations responsibility would at this stage be in the best interests of the refugees and would therefore prefer not to cosponsor.

(COST £7.16.0)

22nd February, 1957

MIN & DEPT EA  
MIN & DEPT IMMIGRATION  
TREASURER & TREASURY  
P.M.'s

SEC A/Ss UN ER P.C&AM AM&SP S&SEA SA EAF&ME E  
AF&ME INF C&P

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CONFIDENTIAL



181/4/4 12

DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

UNCLASSIFIED

...:SH

AMENDED COPY

I. 2817

Dated: 19th February, 1957

0602

Rec'd: 20th February, 1957

0830

FROM: (PRESS)

Australian Mission to the  
United Nations,  
NEW YORK

\*

483. UNCLASSIFIED

Special Political Committee.

Palestine Refugees.

Afghanistan, Iraq, Soviet Union, Bulgaria, Yemen and Poland spoke of the need to repatriate or compensate refugees if solution to Palestine problem was to be found.

Bulgaria announced contribution of food and clothing.

Belgium and Austria discussed the problem in humanitarian terms without reference to the issues raised by the Director.

New Zealand stated the answer to the refugee problem was to be found neither in the total repudiation of the principle of repatriation nor in the inflexible insistence on mass re-absorption of refugees into Israel, considered unacceptable any suggestion that if the host Government would not co-operate they should themselves assume operational responsibility. Maintained that if full support not forthcoming the only alternative was for U.N.R.W.A. to terminate activities in the country concerned.

United States referred to the failure to either repatriate or compensate refugees. Stated failure of the host Governments to co-operate was inconsistent with their obligations as outlined in Articles 104 and 105 of the Charter. Considered that in such circumstances the Director had the right to suspend, curtail or terminate the Agency's activities. Stated that since the mandate of the Agency had only three years to run, consideration should not be given to assisting Agency and Governments to prepare for eventual termination of U.N.R.W.A. Director should after consultation with host Governments, present specific proposals to 12th Session without prejudice to refugees' right to repatriation or compensation. Regarding further implementation of various responsibilities with which the Agency is now charged stated that Director should be authorized to disburse monies from Rehabilitation Fund for general economic development projects subject to agreement by recipient Government that within fixed period it will assume financial responsibility for agreed number of refugees. Announced United States would make further contribution to Rehabilitation Fund.

MIN & DEPT EA  
MIN & DEPT IMMIGRATION  
P.M.'s

20th February, 1957

SEC A/Ss L&T(DIV5) UNO ER CR P&C&M AM&SP S&SEA  
SA SEA E&F&M E AF&M INF DL MT C&P MR. GOSS

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\* Amendment



181/4/4 11

DEPARTMENT OF EXTERNAL AFFAIRS **CONFIDENTIAL**  
**INWARD CABLEGRAM.**

I.2792/90

BH

Sent: 19th February, 1957.  
0605  
Rec'd: 20th February, 1957.  
0830

FROM:

Australian Mission to the United Nations,  
NEW YORK.

484.

CONFIDENTIAL.

Your 144.

Palestine Refugees.

The United States has drawn up the following draft resolution which it intends to introduce in the Committee if it is sure the resolution will get a two thirds majority.

Begins.

The General Assembly.

Recalling its resolution 194 (111) of 11th December, 1948, 302 (1V) of 8th December 1949, 393 (V) of 2nd December 1950, 513 (VI) of 26th January 1952, 614 (VII) of 6th November, 1952, 720 (VIII) of 27th November 1953, 818 (IX) of 4th December 1954 and 916 (X) of 3rd December 1955:

Noting the annual report and special report of the Director of the United Nations relief and works agency for Palestine refugees in the near East and the report of the Advisory Commission of the Agency:

Having reviewed the budget for relief and rehabilitation prepared by the Director of the Agency; Noting that repatriation or compensation of refugees as provided for in paragraph 11 of resolution 194 (111) has not been effected, that no substantial progress has been made in the programme endorsed in paragraph 2 of resolution 513 (VI) for reintegration of refugees and that therefore the situation of refugees continues to be a matter of serious concern:

Noting with concern that there has been inadequate cooperation between certain host Governments and the Agency;

Mindful of the concern of host Governments for the protection and exercise of their Sovereign Rights within their territories and of the need to establish better means of assuring general welfare of Arab refugees presently within territories of Host Governments:

Noting that according to resolution 818 (IX) which extended the mandate of the agency for five more years the agency is scheduled to terminate its activities by June 30, 1960.

1. Decides that the Director of the Agency should, after consultation with host Governments, prepare for submission to the twelfth General Assembly specific proposal for future implementation of the various responsibilities with which the Agency is now charged.

**CONFIDENTIAL**



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CONFIDENTIAL  
INWARD CABLEGRAM.

2. 1.279/90

2. Recalls to host countries the provisions of articles 104 and 105 of the charter of United Nations terms of convention of privileges and immunities of United Nations and contents of paragraph 17 of its resolution 302 (IV) of 8th December 1949, and accordingly requests host Governments to cooperate fully with the agency and with its personnel and to extend to them every appropriate assistance in carrying out their functions.
3. Authorises the director to improve the standards of relief as recommended in paragraphs 24, 33 and 40 of his annual report, provided the agency receives adequate funds additional to those necessary to meet approved budgets.
4. Requests the Governments of the area without prejudice to paragraph 11 of resolution 194 (II), in cooperation with the Director of the Agency to plan and carry out projects capable of supporting substantial numbers of refugees.
5. Decides to retain the rehabilitation fund and authorises the Director in his discretion to disburse such monies to individual host Governments for general economic development projects subject to agreement by any such Government that within a fixed period of time it will assume financial responsibility for an agreed number of refugees.
6. Reiterates its appeal to private organisations and Governments to assist in meeting the serious needs of other claimants for relief as referred to in paragraph 5 of resolution 916 (X).
7. Requests the negotiating committee for extra budgetary funds after receipt of requests for contributions from the Director of the Agency to seek financial assistance needed for the United Nations members.
8. Urges all Governments to contribute or to increase their contributions to the extent necessary to carry through to fulfillment of the Agency's relief and rehabilitation programmes.
9. Requests the Secretary-General to render appropriate assistance to the Director of the agency to facilitate the implementation of this resolution.

ends.

Operative Paragraph 1 is designed to give the Director authority to investigate and report to the Assembly on ways and means of transferring operational responsibility to host Governments. The United States, although not prepared to state this publicly, will impress on Dabouisse privately that it wishes him to submit specific recommendations to this end at the next session. However, since this is not spelled out in the resolution it is not necessary at this stage for Australia to decide its attitude to transfer of responsibility and I presume that there would be no objection to my supporting the resolution. The Americans may ask all contributing Governments to cosponsor the resolution and I should appreciate your views on this.

Spender.

20th February, 1957;

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIG.  
TREAS. & TREASURY  
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G.

CONFIDENTIAL



181/4/4  
175/1/20 9  
DEPARTMENT OF EXTERNAL AFFAIRS.

OUTWARD CABLEGRAM **CONFIDENTIAL**

12508

BH/BH

Sent: 18th February, 1957.  
1820

TO:

Australian Mission to the United Nations,  
NEW YORK.

144.

CONFIDENTIAL PRIORITY.

Casey to Spender.

Your 446. Palestine Refugees.

We are surprised that United States should be proposing transfer of operational responsibility from UNRWA to host countries and would be glad to know whether you consider the proposal derives from considerations wider than those outlined in the Agent-General's report. We would need more details of United States proposal before agreeing. It is difficult to see how United Nations could refrain financial control, or how friction could be reduced if ARABS are opposed to the idea. There is a danger that in practice transfer of responsibility might mean abandonment of refugees (by virtue of Arab neglect) which would be inconsistent with United Nations humanitarian principles. If by "control over personnel" (your para 2) is meant control over UNRWA Personnel, difficulties previously encountered would not be overcome. The proposal cuts across generally accepted lines of authority in United Nations relief and development operations.

2. We appreciate that an Australian intervention should not appear biased towards Israel. Nevertheless we are becoming increasingly convinced that with the passage of time repatriation is not a practical solution because circumstances have so radically changed in areas refugees left. We presume that in any comments you make you will bear this in mind.

3. Economic development of host countries is a reality only if international financial assistance is available. Since we are not likely to be in a position to contribute to development it might be more appropriate for the initiative on this suggestion to come from elsewhere. There would be no objection to supporting a suggestion that director discuss the matter with host countries. It may well be that, with respect to economic development as well as in relation to the transfer of operational control to host countries, United States attitudes are being influenced by some projected implementation of the Eisenhower doctrine. In that event it would be helpful to know their reasoning.

MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
P.M'S.

(Cost £35.14.0)  
19th February, 1957.

**CONFIDENTIAL**

SEC A/US L&T(Div5) UNO CR PAC&AM AM&SP S&SEA SA SEA E&R&ME  
E AF&ME INF DL MT C&P



181/4/4 8  
DEPARTMENT OF EXTERNAL AFFAIRS.

**INWARD CABLEGRAM.**

UNCLASSIFIED

....:SH

I. 2817

Dated: 19th February, 1957

0602

FROM: (PRESS)

Rec'd: 20th February, 1957

0830

Australian Mission to the  
United Nations,  
NEW YORK

U/N. UNCLASSIFIED

Special Political Committee.

Palestine Refugees.

Afghanistan, Iraq, Soviet Union, Bulgaria, Yemen and Poland spoke of the need to repatriate or compensate refugees if solution to Palestine problem was to be found.

Bulgaria announced contribution of food and clothing.

Belgium and Austria discussed the problem in humanitarian terms without reference to the issues raised by the Director.

New Zealand stated the answer to the refugee problem was to be found neither in the total repudiation of the principle of repatriation nor in the inflexible insistence on mass re-absorption of refugees into Israel, considered unacceptable any suggestion that if the host Government would not co-operate they should themselves assume operational responsibility. Maintained that if full support not forthcoming the only alternative was for U.N.R.W.A. to terminate activities in the country concerned.

United States referred to the failure to either repatriate or compensate refugees. Stated failure of the host Governments to co-operate was inconsistent with their obligations as outlined in Articles 104 and 105 of the Charter. Considered that in such circumstances the Director had the right to suspend, curtail or terminate the Agency's activities. Stated that since the mandate of the Agency had only three years to run, consideration should not be given to assisting Agency and Governments to prepare for eventual termination of U.N.R.W.A. Director should after consultation with host Governments, present specific proposals to 12th Session without prejudice to refugees' right to repatriation or compensation. Regarding further implementation of various responsibilities with which the Agency is now charged stated that Director should be authorized to disburse monies from Rehabilitation Fund for general economic development projects subject to agreement by recipient Government that within fixed period it will assume financial responsibility for agreed number of refugees. Announced United States would make further contribution to Rehabilitation Fund.

MIN & DEPT EA  
MIN & DEPT IMMIGRATION  
P.M.'s

20th February, 1957

SEC A/Ss L&T(DIV5) UNO ER CR PACAM AN&SP S&SEA  
SA SEA L&T&ME E AF&ME INF DL MT CAP IR. GOSS  
G



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

7  
**RESTRICTED**  
181/4/4

HP:SH

I. 2688

Dated: 16th February, 1957  
0327

FROM:

Rec'd: 17th February, 1957  
0900

Australian Mission to the  
United Nations,  
NEW YORK

466. RESTRICTED

Special Political Committee Palestine Refugees.

Jordan, Syria, Sudan and Libya, in comparatively brief statements, concentrated on Israel's failure to repatriate refugees, its actions in Gaza and, to some extent, need for increased contributions from West to raise living standards of refugees. Avoided comment on directorate requests in regard to agencies relations with host Governments and its role in the Gaza Strip. The only really strong attack on Israel was made by Sudan. Netherlands warned Governments could not be expected to support refugees if host Governments who had greatest direct interest in question would not extend minimum co-operation to agency. Other speakers Phillipines, China and Peru.

MIN & DEPT EA  
MIN & DEPT IMMIGRATION  
P.M.'s

17th February, 1957

SEC A/Ss L&T(DIV5) UN@ CR PAC&AM AM&SP S&SEA SA  
AM&SP EAT&ME E AF&ME INF DL MT C&P

**RESTRICTED**



CABLEGRAM.

CONFIDENTIAL

181/4/4

MMC:AS

I.2604.

Dated: 15th February, 1957.  
0200.Rec'd: 16th February, 1957.  
0845.

FROM:

Australian Mission to the United Nations,  
NEW YORK.448. CONFIDENTIAL.

Your 113 and 124.

Special Political Committee.Palestine Refugees.

Following departure of Forsyth, I have decided to speak on this item. I feel that because the questions raised by Director in his reports are of so far-reaching a character, and the fact that in his address to Committee he specifically requested Assembly direction on them, a wide-ranging debate on this question seems likely unless United States decides, in the present circumstances of Assembly consideration of the Middle East, to play problem down.

2. I note that brief states that every attempt should be made to discourage discussion of wider issues, and that we should confine our contribution to general lines followed in previous years. Bearing this in mind, I had intended, in addition to points contained in your 113, to follow lines very similar to instructions set out in your 124. However, it is rather difficult to reach any firm position as yet, since the United States delegation has not yet received instructions. In addition to the Arabs, who have had their own reasons for wanting a postponement of the debate (see my memorandum 194/57), United States has also resisted a report being made. It has done so because it wishes to leave itself free to criticise Arabs fairly strongly, and considers that if it took such a line before plenary consideration of Egypt-Israel is completed, chances of reaching some sort of accord with Arabs on broad political issues would be prejudiced. (The main difficulty about this line of approach is that it assumes that problem of Israeli withdrawal will be settled in the near future). In particular, the United States has in mind authorising Director of U.N.R.W.A. to work out with Arabs, during the forthcoming year, an arrangement to transfer operational responsibility to the host countries. Such an arrangement, they say, need not imply any loss of financial control by the United Nations. The idea is to eliminate friction between U.N.R.W.A. and Arabs by giving the latter control over personnel. Moreover, it would be the first step towards divesting the United Nations of any responsibility for refugees or their future. United States knows Arabs will resist such proposal, but if the United States takes this line, it intends to be firm, making it clear that the Arabs have no alternative to accept if they want continuing United States financial assistance for refugees.

3. If United States does adopt such a policy, I am inclined to think we should support them. I would appreciate your comments.

4. United Kingdom, Canadian and New Zealand delegates are all waiting on United States to formulate its views before defining.

CONFIDENTIAL



CABLEGRAM.

CONFIDENTIAL

-2- I.2604.

ing their own attitudes.

5. As regards the role of U.N.R.W.A. in the Gaza Strip, United States seems, at the present time, inclined to adopt attitude similar to that in your 124, but this may be affected by result of discussions currently taking place between Dulles and Eban. In this connection, however, you will have noted paragraph 4, my 434, and also paragraph (B) (11) London's telegram 402 to you.

6. Since of necessity any statement touching on broad issues is bound to be critical of the Arabs, I feel strongly that this should be counter-balanced by criticism of Israel, in particular, its failure to facilitate solution by its rigid attitude on repatriation. I propose, therefore, to take this up within the context of need for Israel to make gesture of accepting principle of repatriation in the narrow and defined circumstances if Arabs are to be convinced of its good faith.

7. I also intend to take up paragraph 73 of Director's report pointing out that one of the best hopes of settling the problem lies in the general economic development of host countries, provided the Arabs are prepared to permit full mobility of refugee labour. Americans are very much in agreement with this, and we may suggest that Director further investigate Arab attitude to this.

...Spender.

MIN&DEPT EA  
MIN&DEPT IMMIGRATION  
P.M'S

16th February, 1957.

SEC	A/Ss	L&T(DIV.5)	UNO	CR	PAC&AM	AM&SP	S&SEA
SA	SEA	E.AF&ME	AF&ME	INF	DL	MT	C&P

CONFIDENTIAL



## OUTWARD TELEGRAM

[This document is the property of Her Majesty's Government in New Zealand]

181/4/4

FROM: Minister of External Affairs, Wellington  
TO: N.Z. Perm. Mission to U.N. New York No.84  
D: 15 February 1957 13.50

No.84 CONFIDENTIAL IMMEDIATE

### PALESTINE REFUGEES

Your No.89.

1. On general aspects, our position is as outlined in brief.

2. On specific questions raised by Director our views are as follow:

#### (a) Cooperation by host governments:

UNRWA has special status and is entitled, as past Assembly resolutions have declared, to full cooperation and assistance from host governments. Restrictions upon activity of international civil servants on grounds of nationality is completely unjustified and should not appear to be condoned by Assembly. In our view Assembly resolution should make it clear that international status of members of UNRWA must be respected. Proposal that if host governments will not cooperate with UNRWA they should themselves assume operational authority for UNRWA's work is in our view quite unacceptable. It provides no suitable compromise between the alternatives either -

(a) that the host governments give UNRWA the cooperation to which it is entitled, or

(b) that UNRWA withdraw.

Assembly's best course of action in our view would be to leave the host governments in no doubt that these are in fact the only alternatives it is prepared to envisage.

#### (b) Rehabilitation and Relief.

Director's case in favour of increased support from members of the General Assembly is compelling and you should support call for widening of circle of contributing countries. We have considerable sympathy with Director's request for authority to assist general development programmes, a request which appears to go further than similar earlier requests, cf. para. 13 of A/2747/Add. 1. Subject to concurrence of principal contributors,

(J.1408)

CONFIDENTIAL

DRW



CONFIDENTIAL

2.

particularly the United States, we would be prepared to support an Assembly recommendation in favour of such an application of funds. You should emphasize however that the advantages of such development can only be long-term and that the proposal has no meaning unless the Assembly is prepared to provide increased and adequate finance.

(c) Funds:

We feel that accent should be not on the retrenchment of Agency activity but on strong drive within Assembly to furnish necessary funds. We expect to maintain New Zealand's contribution at existing level in accordance with memorandum of 7 December but decision on 1957 relief grants not yet made. Ground must be carefully prepared over whole range of grants and unwise to seek urgent decision on individual agency.

(d) Gaza Strip:

We favour association of United Nations with administration of Gaza but feel that progress in this direction must wait upon developments in the political field. Labouisse's apprehensions concerning the situation which would prevail upon Israel's withdrawal are however clearly well-founded and it is desirable that methods of concerting withdrawal and entry of UNRWA be studied. Commission (as proposed in your No.96) could accordingly serve useful purpose.

(Signed) EXTERNAL

(J.1408)

Minister of External Affairs  
Secretary of External Affairs

15.2.57

CONFIDENTIAL



**CABLEGRAM.**

::HP

I.2331

FROM:

Dated: 11th February, 1957.  
1649  
Rec'd: 12th February, 1957.  
1000

Australian Mission to United Nations,  
NEW YORK.

407. UNCLASSIFIED.

Special Political Committee Palestine Refugees.

Director's statement closely followed the lines of his formal reports. He particularly requested the guidance of the Assembly on the question of whether U.N.R.W.A. should continue to have operational responsibility in host countries. Stated that if Assembly could not ensure that adequate funds were provided, the Assembly should indicate what categories of services should be terminated.

Requested Assembly instructions as to the continuation of U.N.R.W.A.'s operations in the Gaza Strip. In this connection stated that in any arrangements concerning the Strip it would be of vital importance to maintain law and order so as to protect the population staff and supplies of U.N.R.W.A.

Emphasised that problems such as security supply and transport, kind and exchange rate of currency used, have direct bearing on U.N.R.W.A.'s work and its capability to pursue operations in Strip.

Debate should begin Friday.

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Min. & Dept. External Affairs.  
P.M.'s.

12th February, 1957.



DEPARTMENT OF EXTERNAL AFFAIRS.  
**INWARD CABLEGRAM.**

**RESTRICTED**

181/4/4  
I. 2171

Sent: 7th February, 1957  
0027  
Rec'd: 8th February, 1957  
0830

FROM:

Australian Mission to the United Nations,  
NEW YORK.

380. RESTRICTED.

Special Political Committee - Palestine  
Refugees.

It is not at all certain when the Committee will take up this item since the Arabs have taken the view that the matter cannot be fruitfully discussed pending plenary consideration of Israel withdrawal which will not be before Friday. The Americans have not yet decided their line on refugee item. Further they will not agree to consideration of Soviet subversion item other than last. We would appreciate any comments on the recommendations of the Director General.

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MIN. & DEPT. E.A.  
MIN. & DEPT. IMMIGRATION  
P.M's.

8th February, 1957.

SEC A/Ss L&T(DIV.5) UN@ CR PAC&AM AM&SP S&SEA SA SEA  
CAF&ME E AF&ME INF DL MT C&P

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H/D